



IPO Bulletin | WealthTrust Securities LTD
12th Dec 2025



IPO Snapshot

Company	WealthTrust Securities Ltd
Number of Shares to be Issued	71,548,244 Ordinary Voting Shares
Stake Offered	5.84%
Expected IPO Proceeds	LKR 500,837,708
Objective	To strengthen WTS's core capital requirement
Share Issue Price	LKR 7.00 per Ordinary Voting Share
Minimum Subscription Per Application	100 shares (LKR 700/-) Applications exceeding the minimum subscription should be in multiples of 100 shares
Issue Opening Date	17 th December 2025
Board to be Listed	Diri Savi Board

Objectives of the IPO

Purpose of the IPO

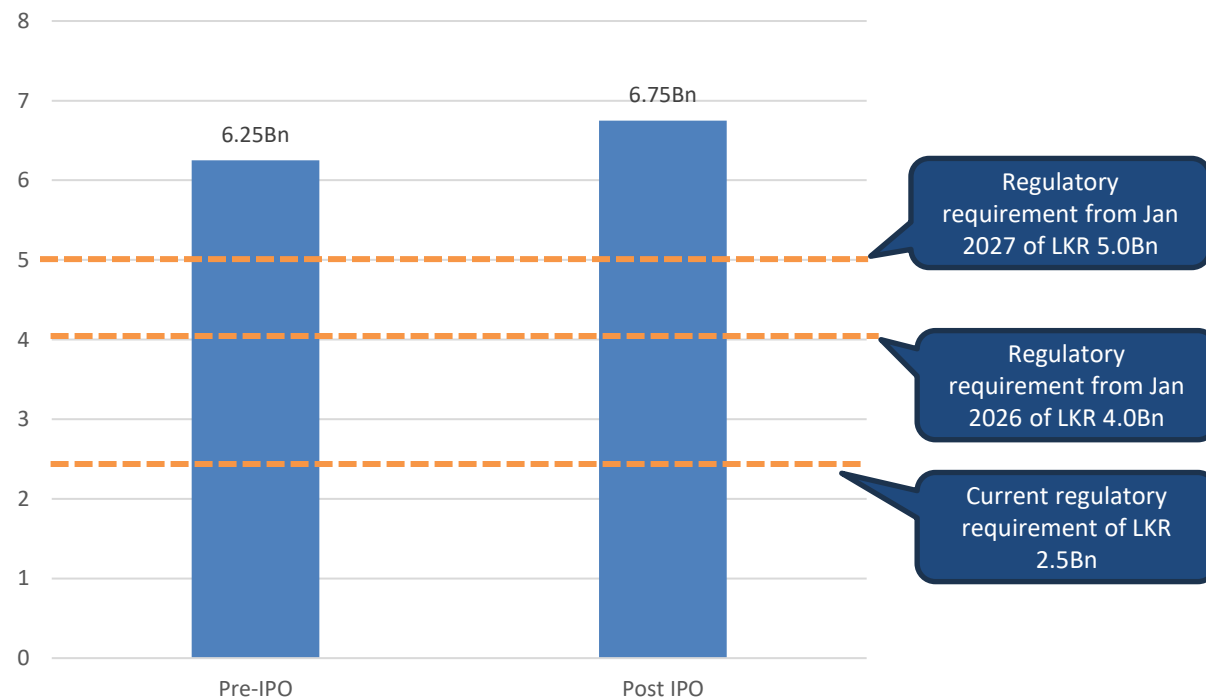
The IPO proceeds of LKR 500 Mn will increase WTS’s core capital to LKR 6.75 Bn. While WTS already meets the forthcoming regulatory capital requirements, the Company intends to raise additional capital through the IPO to strengthen its capital buffer and enhance its resilience against potential adverse interest rate movements.

Changes to Regulatory Requirement

Under the revised directions issued by the CBSL, the minimum core capital requirement will increase to LKR 4.0Bn from January 2026 and LKR 5.0Bn from January 2027.

Current Core Capital Position

As of 30 September 2025, WTS reported a core capital base of LKR 6.25 Bn, significantly exceeding the regulatory minimum of LKR 2.5Bn and providing a robust capital buffer of approximately LKR 3.75 Bn.



Current Capital Position and Regulatory Requirements

Key Investment Highlights



Positive Industry Outlook

- With over **LKR 19 trillion** in outstanding government securities, the market represents the largest and most liquid segment of Sri Lanka's capital market, having recorded a **25% CAGR** in both outstanding securities and secondary-market turnover over the past five years.
- Participation is limited to **ten licensed entities** under strict CBSL oversight, creating **high barriers to entry** and a protected operating environment.



Strong Financial Performance

- Strong returns with a **12-year average ROE of 31%** and adjusted ROE of 30% excluding abnormal years (FY20–FY24).
- Robust capital position with **LKR 6.3 Bn in core capital**, well above the current and future regulatory requirements of **LKR 2.5 Bn** and **LKR 5.0 Bn** respectively.
- Consistent dividends with a historical avg. payout of **33%** and a target of **55% post-IPO** to deliver shareholder value.

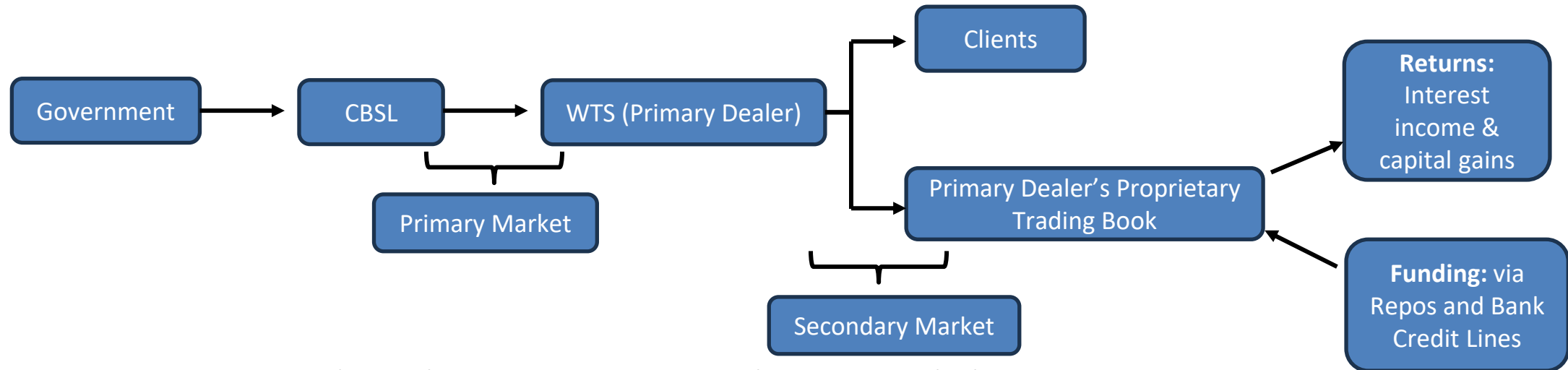


Attractive Valuation

- Primary valuation indicates an **18% upside** to the IPO price of LKR 7.00 per share, offering an attractive entry opportunity.
- Priced at **1.3x P/BV** (30 Sep 2025 NAV), the IPO offers investors an attractive entry point relative to the industry average of 1.53x P/BV.

Company Overview

WealthTrust Securities LTD (WTS), incorporated in 2010 and commencing operations in 2011, is a licensed Primary Dealer in government securities regulated by the Central Bank of Sri Lanka. As one of only five non-bank Primary Dealers in the country, WTS offers tailored investment solutions supported by its expertise in debt portfolio management, leveraged bond trading, and yield curve strategies. The Company reported shareholder funds of LKR 6.3 Bn as of 30 September 2025.



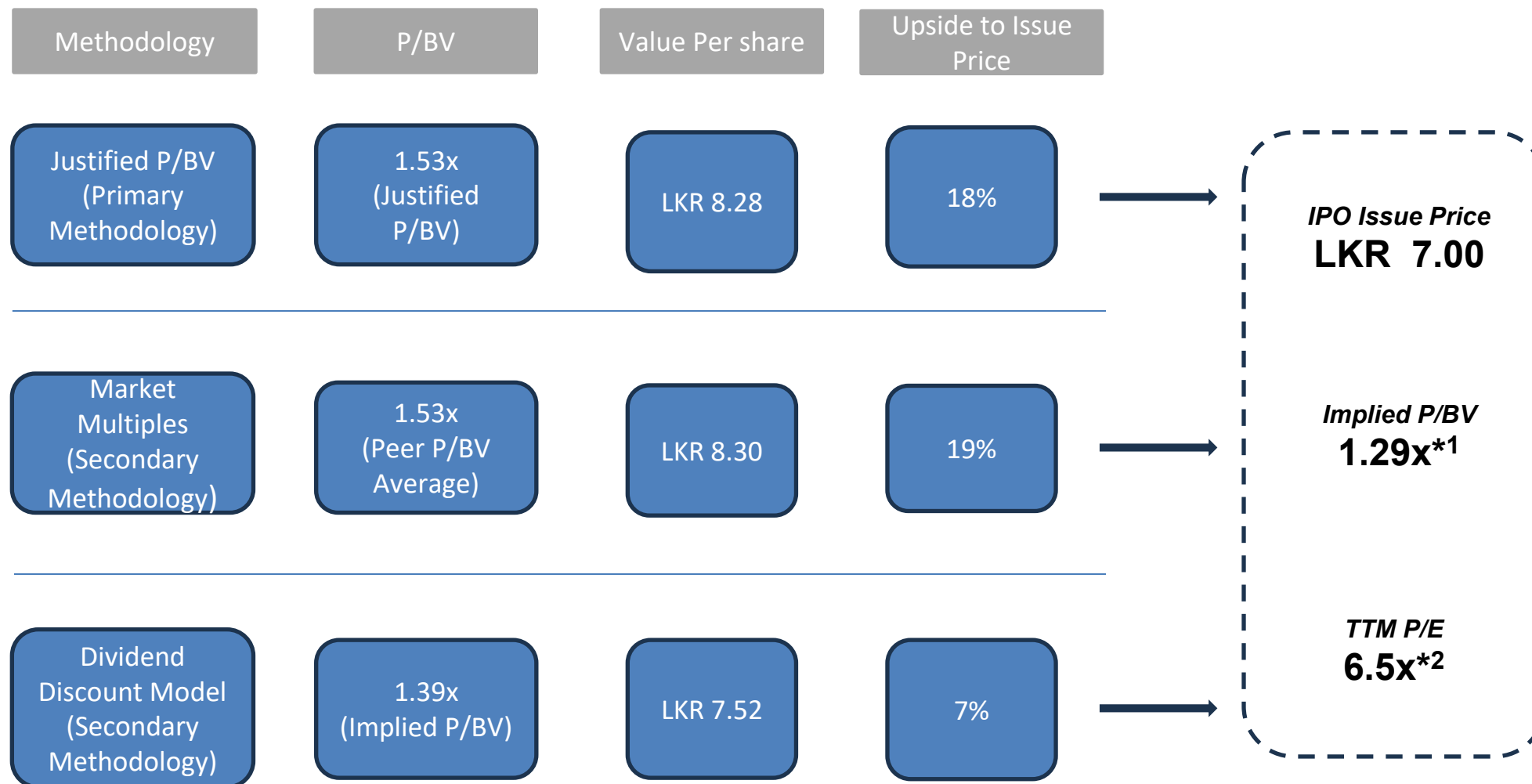
WTS operates as an intermediary in the government securities market, engaging in both primary auctions with CBSL and secondary market transactions.

Its operations are supported by an integrated Front, Middle, and Back Office framework:

- **Front office** manages trading and client interactions
- **Middle office** oversees risk management and deal validation
- **Back-office** handles transaction processing and settlement.

This structure enables efficient management of the proprietary trading book and client portfolios, with funding facilitated through repos and investment activities conducted via reverse repos.

Valuation Summary



*1 Price-to-book (P/BV) multiple NAVPS as of 30 Sep 2025 was LKR 5.4

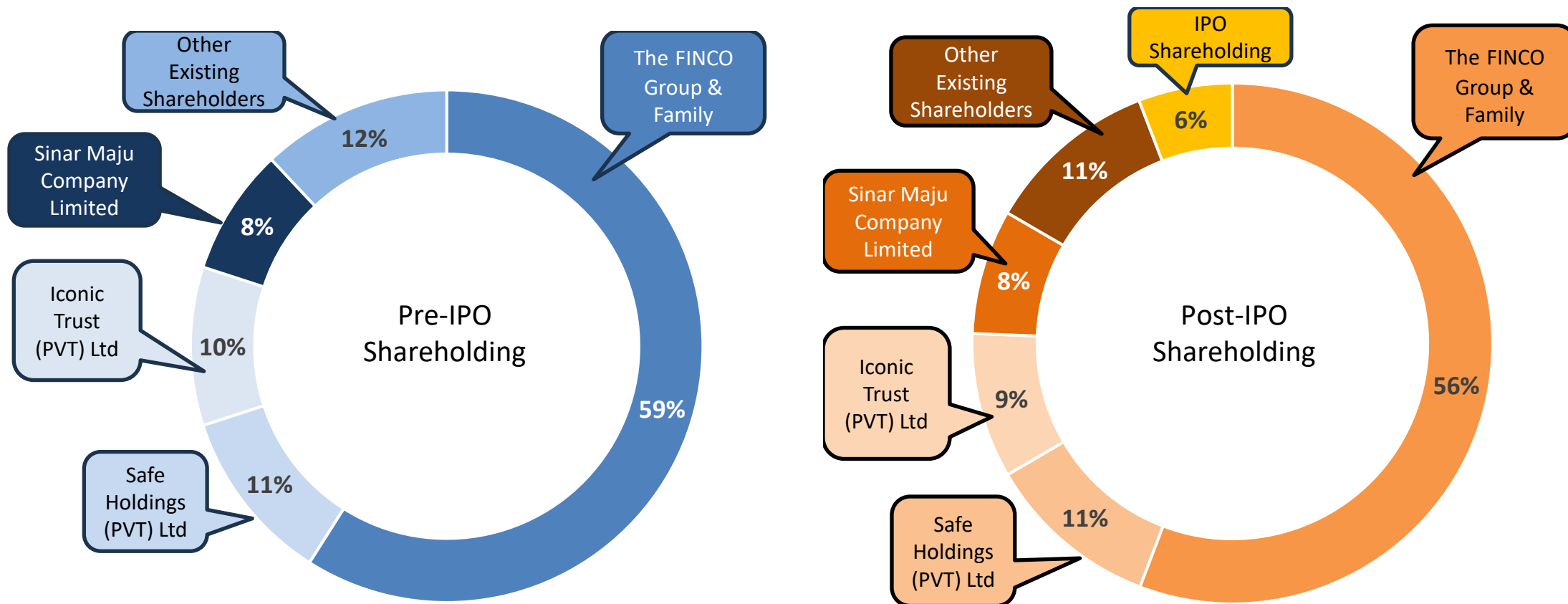
*2 TTM earnings as of 30th Sep 2025

Peer Comparison

Peer Entity	NAVPS (LKR)	EPS (LKR)	P/E	PBV	ROE(%)
First Capital Treasuries PLC	14.82	4.94	4.65	1.55	33.36%
Capital Alliance PLC	43.70	13.42	4.08	1.25	30.71%
First Capital Holdings PLC	21.71	11.58	2.82	1.61	57.05%
Capital Alliance Holdings PLC	9.44	1.88	N/A	N/A	23.04%

- WTS operates in Sri Lanka’s Government Securities market—one of the largest and most liquid segments of the capital market—which has recorded strong expansion, delivering a 25% CAGR over the past five years.
- WTS is strategically positioned as one of only five Non-Banking Primary Dealers, operating within a sector characterized by high barriers to entry.
- The IPO is attractively priced, with WTS’s implied P/BV of 1.29x standing well below the peer average of 1.53x, providing inherent upside potential.
- WTS has demonstrated consistently strong capital efficiency, delivering an average Return on Equity of 31% over the past 12 years—well above industry benchmarks over the long term.

Pre and Post IPO Shareholding Structure

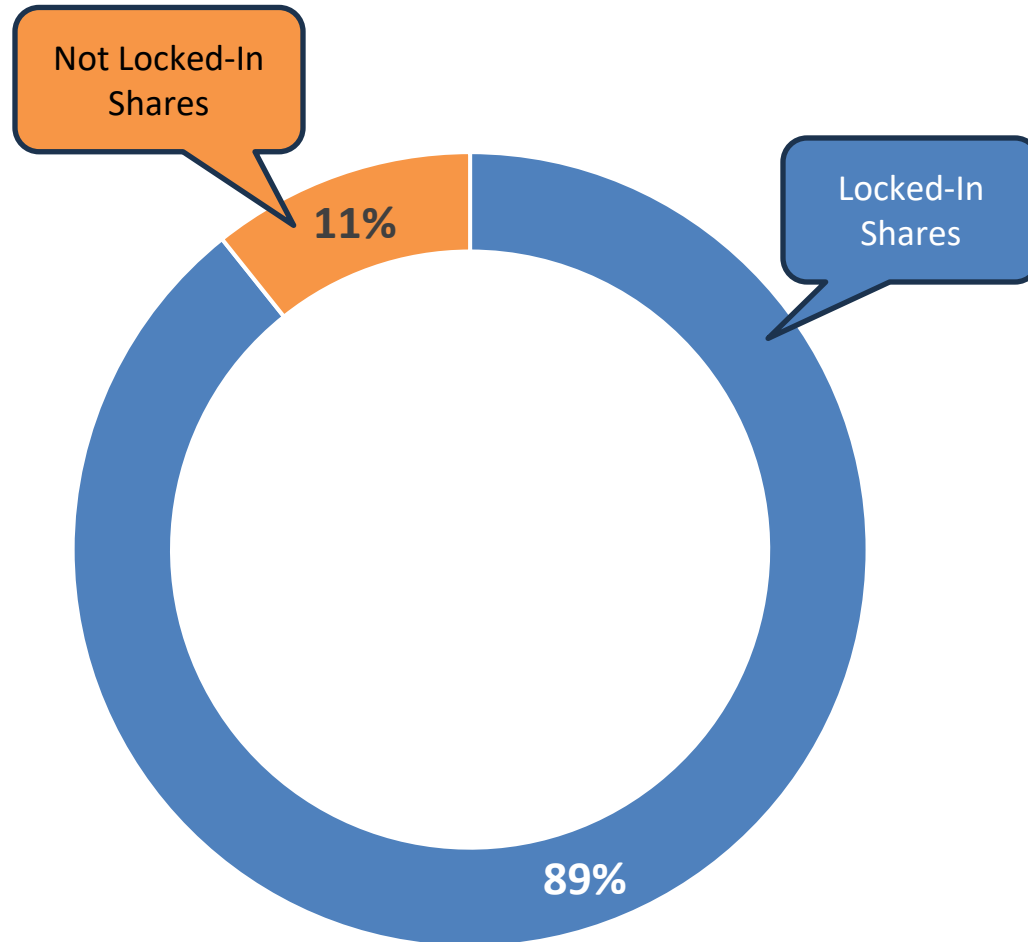


Finco Holdings (Private) Limited and Genesis Software (Private) Limited—both part of the FINCO Group owned by the **Weerasooria family**—together with individual family holdings, constitute the majority shareholders of WTS.

Safe Holdings (PVT) Ltd - Investment vehicle via which senior management and founding promoters own shares in the company. This creates a strong alignment of shareholder and management interests.

Iconic Trust (Private) Limited - A fully owned subsidiary of Browns Investments PLC (which is part of the LOLC Group) and has been a shareholder of the company since inception.

Sinar Maju Company Limited - A company incorporated in Singapore and is one of the initial promoter shareholders.



- Locked-in shares will be available for trading 6 months from listing.
- A total of 1,022 Mn shares will be locked-in from the Post-IPO total shareholding of 1,225 Mn shares.
- All major shareholders of the company have their shares locked-in;
 - Finco Holdings (Private) Limited (27.19%)**
 - Safe Holdings (Private) Limited (10.81%)**
 - Iconic Trust (Private) Limited (9.02%)**
 - Genesiis Software (Pvt) Ltd (8.91%)**
 - Sinar Maju Company Limited (7.76%)**
 - Mr. Wickrema Senaka Weerasooria (6.89%)**
 - Mr. Nilkamal Milinda Weerasooria (6.89%)**
 - Ms. Anarkali Moonesinghe (5.59%)**

Income Statement

LKR Mn	FY2021	FY2022	FY2023	FY2024	FY2025	1HFY2026
Interest Income	989	638	5,329	6,118	3,295	1,877
Growth (YoY)	N.A	-35.4%	734.8%	14.8%	-46.1%	N.A
Net Interest Income	410	312	2,172	3,127	1,337	676
Net trading gains and FV gains	877	(253)	1,155	7,044	1,261	365
Income From Trading Activities	1,275	55	3,315	10,148	2,573	1,030
Profit From Operating Activities	783	(34)	2,454	7,384	1,797	675
Profit/ (Loss) Before Tax	775	(48)	2,317	7,374	1,785	663
Net Profit / (Loss) After Tax	588	(43)	1,705	4,907	1,194	437

	FY2021	FY2022	FY2023	FY2024	FY2025	1HFY2026
Net Interest Margin	3.6%	3.1%	9.0%	9.9%	5.4%	1.2%
Net Income Margin	31.5%	-11.2%	26.3%	37.3%	26.2%	19.5%
ROE	21.2%	-1.6%	47.1%	88.4%	19.2%	7.0%
ROA	5.1%	-0.4%	7.0%	15.5%	4.8%	1.1%

WTS has delivered **sustained profits across multiple interest rate cycles**, with only one exception in FY22 when the entire primary dealer industry was impacted negatively, during which WTS successfully minimized its losses.

In FY23, the sharp rise in interest rates and yields prompted primary dealers such as WTS to expand their investment portfolios, resulting in a substantial increase in net interest margins (NIMs).

During periods of **declining** rates, WTS has generated strong profits by effectively **leveraging its portfolio** to realize trading gains from favorable yield movements.

Over the **past twelve years**, WTS has maintained a strong earnings record, delivering an **average ROE of 31%**. **Excluding abnormal years** affected by Covid19 and the financial crisis, FY20 to FY24, the **adjusted average ROE is still 30%**.

Financial Position

LKR (Mn)	FY2021	FY2022	FY2023	FY2024	FY2025
Financial assets recognized through Profit/Loss Held for Trading - measured at fair value	6,473	10,570	34,511	23,881	21,556
Securities purchased under resale agreements	2278	953	2,032	2,472	1,195
Total Assets	9181	11698	36,946	26,557	22,946
Securities sold under Repurchase Agreements	5317	8405	29,901	14,790	15,648
Total Liabilities	6477	8933	32,476	19,931	17,127
Total Equity	2703	2765	4,470	6,626	5,819
Total Equity and Liabilities	9,181	11,698	36,946	26,557	22,946

	FY2021	FY2022	FY2023	FY2024	FY2025	1HFY2026
Debt / Equity (Times)	2.0	3.2	7.0	2.5	2.8	-
Earnings per Share (LKR)*	0.5	-	1.5	4.3	1.0	1.1
Dividend per Share (LKR)*	0.2	-	0.7	3.5	-	-
Net Asset Value per Share (LKR)*	2.3	2.4	3.9	5.7	5.0	5.4

*On 1,153,504,695 shares on a post share split of 1:35 (The Company underwent a share split on 29th September 2025)

Dividends have historically been **paid in all profitable years averaging a payout of 33% over the past 12 years**, underscoring the Company's focus on shareholder returns.

In FY2025, dividends were not distributed to proactively meet the anticipated increase in minimum core capital requirements and in preparation for the IPO, **ensuring the Company is well-positioned to support a stronger dividend payout post-IPO.**

WTS targets a dividend payout of 55% of profits post-IPO, Dividend Yield of 6.0% for FY2026E

Senior Management



Mr. Romesh Gomez
Managing Director/CEO

Romesh Gomez is an accomplished professional with over 26 years of extensive experience in the financial sector. He currently serves as the Managing Director/CEO of WealthTrust Securities Ltd, having previously held the role of Chief Executive Officer, and has played a pivotal role in the inception of the company. Recognized for his expertise and contributions to the financial industry, he is a distinguished member of ACI (Financial Markets Association) and an Associate Member of ABE UK. He is also the past President of the Association of Primary Dealers, Sri Lanka. His expertise spans treasury management, trading, portfolio management, corporate debt, and corporate finance.



Ms. Priyanthi Abeysekere
Deputy Chief Executive Officer

Priyanthi Abeysekere has a career spanning close to three decades and has played a pivotal role in the inception of the company. Priyanthi's expertise lies in financial markets, investment advisory, and sales and marketing. With over a decade of hands-on experience in the dealing room environment, she possesses a deep understanding of active fixed income trading and portfolio management. She is also a professionally qualified Registered Investment Adviser (RIA). She holds a B.Sc. in Business Administration from Aldersgate College, Philippines and a Graduate Diploma in Management from Business Management School (BMS).



Mr. Gayan Karunaratne
Head of Trading & Research Development (Assistant General Manager)

Gayan Karunaratne is a seasoned finance professional with nearly two decades of experience in the financial markets. His professional capabilities have been formally recognized with a 'Badge of Excellence – 75% and Above' for completing the Treasury and Foreign Exchange Operations course conducted by the Central Bank of Sri Lanka. He holds a Special Degree in Finance and a Master's Degree in Applied Finance from the University of Sri Jayewardenepura, Sri Lanka.

Senior Management



Ms. Aruni Fernando
Senior Manager - Compliance & Risk

Aruni Fernando brings nearly two decades of experience in the financial services industry, with strong expertise in compliance, risk management, investment operations, financial reporting, and middle-office functions. She is a certified Investment Advisor accredited by the Colombo Stock Exchange, an Associate Member of the Chartered Institute of Management Accountants (ACMA, CGMA) and holds a Master of Business Administration as well as a Bachelor of Business Administration (Special) in Finance from the University of Colombo, Sri Lanka.



Mr. Ajith Athukoralage
General Manager - Finance & Planning / Business Processing

Ajith Athukoralage is an accomplished finance professional with nearly three decades of experience in finance and accounting, with strong exposure to the primary dealership sector. He is a member of the Association of Accounting Technicians of Sri Lanka and has played a key role in overseeing financial operations and strategic planning in previous roles. He also holds a B.Sc. (Special) Degree in Accountancy from the University of Sri Jayewardenepura, Sri Lanka.

AMBEON SECURITIES (PVT) LIMITED

No: 100/1, 2nd Floor

Elvitigala Mawatha,

Colombo 08,

Sri Lanka.

T: +94 11 532 8 100

F: +94 11 532 8 177

E: research@ambeonsecurities.lkW: www.ambeonsecurities.lk**Sales Team**

Charith Kamaladasa

Niranjan Niles

Romeshpriyadarshana

Subeeth Perera

Chinthaka Weeraratna

Pasindu Yatawara

Thushan Perera

Dilusha Gamage

Research Team

Hansinee Beddage

Buddhi Akalanka

Kavindu Horadugoda

Director/CEO

Executive Director

Vice President

Vice President

Manager Investment Advisory

Manager Investment Advisory

Senior Investment Advisor

AGM - Business Development &
Corporate Communication

Senior Manager – Investment Research

Investment Research Analyst

Investment Research Analyst

charithk@ambeonsecurities.lkniles@ambeonsecurities.lkromeshp@ambeonsecurities.lksubeeth@ambeonsecurities.lkchinthaka@ambeonsecurities.lkpasindu@ambeonsecurities.lkthushan@ambeonsecurities.lkdilusha@ambeonsecurities.lkhansinee@ambeonsecurities.lkbuddhi@ambeonsecurities.lkkavindu@ambeonsecurities.lk

077 321 3344

077 383 2597

077 254 8795

071 404 2683

077 528 6885

077 930 4624

077 361 8745

077 899 3267

DISCLAIMER

Ambeon Securities has taken reasonable steps to ensure the accuracy and reliability of the information presented in this Report. While we strive for accuracy, we do not guarantee the completeness or correctness of the information. The information may be subject to change without notice, and Ambeon Securities is not obligated to update or revise the Report after its initial publication. Any updates or revisions will be made at the sole discretion of Ambeon Securities.

Ambeon Securities, its employees, and affiliates shall not be held liable for any direct or indirect loss or damage that may arise from the use of the information contained in this Report. This includes, but is not limited to, financial losses, lost profits, direct, indirect, incidental, punitive or any other consequential damages.

The information and opinions presented in this Report are for informational purposes only and should not be construed as any offer, investment advice, a recommendation to buy or sell any securities, or an endorsement of any investment strategy. Ambeon Securities does not provide personalized investment advice, and you should consult with a qualified financial advisor before making any investment decisions. This Report may contain forward-looking statements that involve risks and uncertainties. These statements are based on our current expectations and assumptions and are subject to various factors that may cause actual results to differ materially from those expressed or implied in the Report.

This report does not take into account the specific financial situation, investment objectives, or risk tolerance of individual readers. Consequently, investments discussed in this report may not be suitable for all investors. Each reader is responsible for determining the suitability of any investment based on their own circumstances.

Ambeon Securities, its employees, and affiliates may have financial interests in the securities mentioned in this Report. These interests may change without notice, and such positions may have an impact on the opinions expressed in the Report.

This Report is intended solely for the use of the recipient and may not be reproduced, redistributed, or otherwise disseminated to any other person or entity without the express written consent of Ambeon Securities. All rights, including copyright, are reserved.

Investing in securities involves risks, including the risk of loss of principal. Past performance is not indicative of future results, and the value of investments may go up or down. These risks may include, but are not limited to, market risk, liquidity risk, credit risk, geopolitical risk, and other factors that can impact the performance of investments.

By accessing and reading this Report or downloading the report electronically, you acknowledge and agree to the terms and conditions outlined above. If you do not agree with these terms, please refrain from using this Report. Ambeon Securities assumes no responsibility for any unauthorized use of this Report or its contents.