SenFin SECURITIES
Associate Company of SENKADAGALA FINANCE PLC

FRONTIER & EMERGING MARKETS

Selected Asia & South Asia Markets — P/E Ratios and YTD Index Performance

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Frontier Markets — P/E & YTD Snapshot

FRONTIER

Country	Benchmark Index	P/E Ratio 2025	P/E Ratio 2026	YTD Return
Sri Lanka	ASPI	9.8x	11.2x	**-5.68%**
Pakistan	KSE-100	9.8x	9.0x	**+1.68%**
Bangladesh	DSEX	13.9x	11.1x	**+15.06%**
Vietnam	VN-Index	15.7x	12.7x	**+2.67%**

**As at 31 of August 2026*

Reading the frontier picture

The frontier-market comparison highlights a clear divergence between valuation and market performance. Bangladesh stands out as the strongest-performing market, delivering a 15.06% YTD gain while its forward P/E declined from 13.9x in 2025 to 11.1x in 2026. This combination of strong market momentum and a more attractive valuation suggests that improving investor sentiment and supportive market fundamentals are driving a positive re-rating. Pakistan, meanwhile, trades at 9.0x P/E for 2026, down from 9.8x in 2025, and has posted a 1.68% YTD gain. The market continues to benefit from macroeconomic stabilization and progress under IMF-supported reforms, although performance remains relatively subdued.

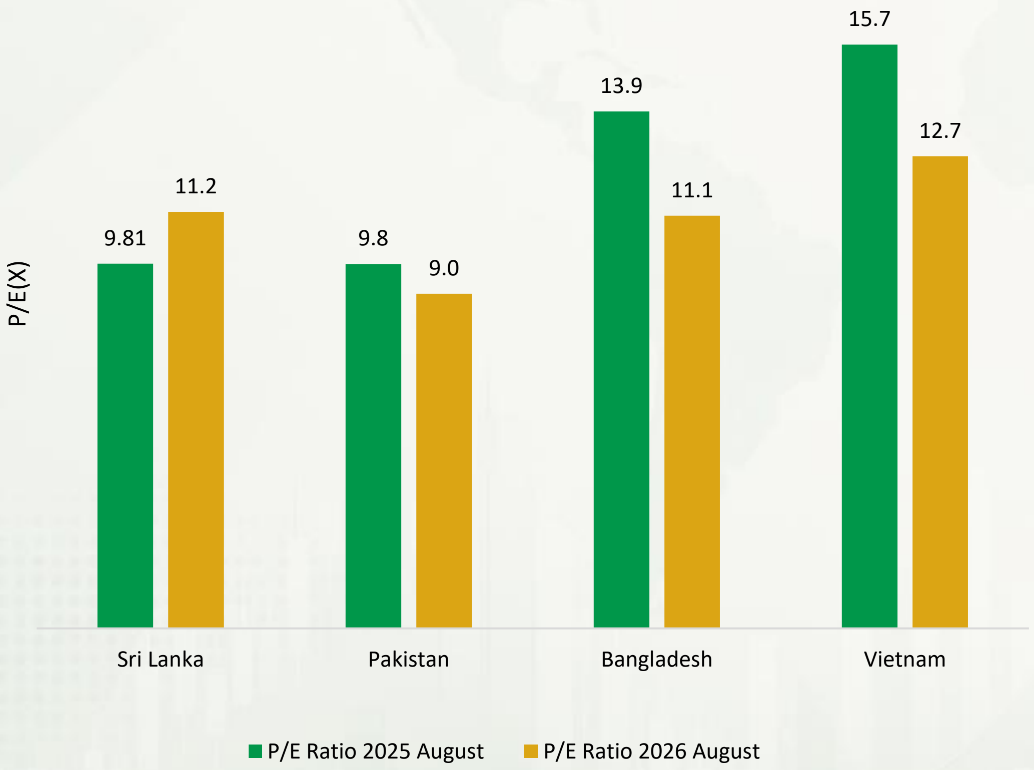
Vietnam has recorded a 2.67% YTD gain, with its P/E declining from 15.7x to 12.7x, indicating a more attractive valuation despite recent market volatility. Its longer-term investment case remains supported by manufacturing growth, foreign direct investment and structural economic expansion. In contrast, Sri Lanka remains the weakest performer, with the ASPI down 5.68% YTD, despite its P/E increasing from 9.8x in 2025 to 11.2x in 2026. This divergence indicates that valuation alone has not been sufficient to support market performance, with investor confidence, foreign investor flows and concerns surrounding external and geopolitical conditions continuing to weigh on sentiment.

Overall, Bangladesh combines the strongest market momentum with a declining valuation, while Sri Lanka presents a contrasting opportunity where a recovery in earnings, improved market liquidity and a strengthening of investor confidence could become key catalysts for a potential re-rating.

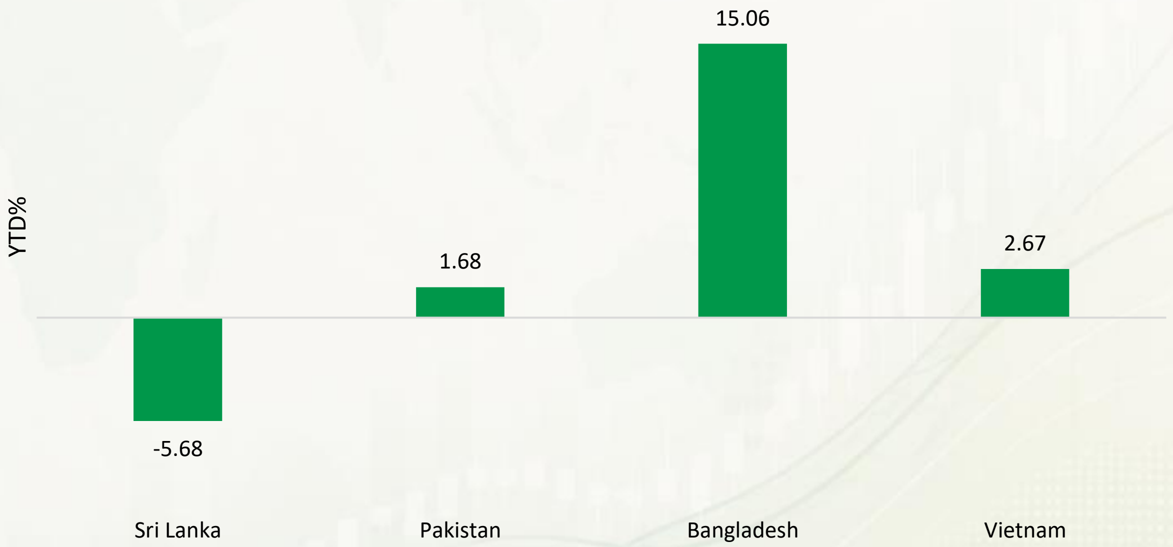
Frontier Markets — Visual Comparison

FRONTIER

P/E Ratio by Market



YTD Index Return



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EMERGING

Emerging Markets (Asia) — P/E & YTD Snapshot

Country	Benchmark Index	P/E Ratio 2025*	P/E Ratio 2026*	YTD Return
India	Nifty 50	24.1x	23.3x	**-7.85%**
China	Shanghai Comp.	14.8x	12.9x	**0.44%**
Taiwan	TAIEX	19.1x	28.0x	**59.26%**
South Korea	KOSPI	12.9x	12.0x	**61.84%**
Indonesia	JCI	13.3x	9.8x	**-24.53%**
Philippines	PSEi	11.1x	10.1x	**-1.60%**
Malaysia	FBM KLCI	14.9x	14.1x	**2.73%**
Thailand	SET	16.0x	17.3x	**28.21%**

** As at 31 of August 2026*

Reading the EM Asia picture

Asian emerging markets show a significant divergence between valuation and market performance, indicating that P/E multiples alone do not explain investor returns. Taiwan and South Korea remain the strongest performers, gaining 59.26% and 61.84% YTD, respectively. Taiwan recorded a substantial P/E expansion from 19.1x in 2025 to 28.0x in 2026, indicating stronger investor expectations for future growth and increased willingness to pay for earnings. Meanwhile, South Korea delivered strong market returns despite a relatively low 2026 P/E of 12.0x, suggesting that its performance was supported by earnings growth and improving market fundamentals rather than significant valuation expansion. Thailand also performed strongly, gaining 28.21%, supported by a moderate 2026 P/E expansion to 17.3x.

In contrast, several lower-valued markets delivered weak or negative returns. Indonesia declined 24.53% despite its P/E falling to 9.8x in 2026 from a higher level in 2025, highlighting that lower valuations alone were not sufficient to support market performance. India also fell 7.85% despite a relatively high 23.3x 2026 P/E, highlighting pressure on its valuation premium. Overall, the data suggest that earnings growth, investor sentiment and structural growth prospects are currently more important drivers of market performance than valuation alone. Lower-P/E markets may offer re-rating potential, but this is likely to depend on improvements in earnings and investor confidence.

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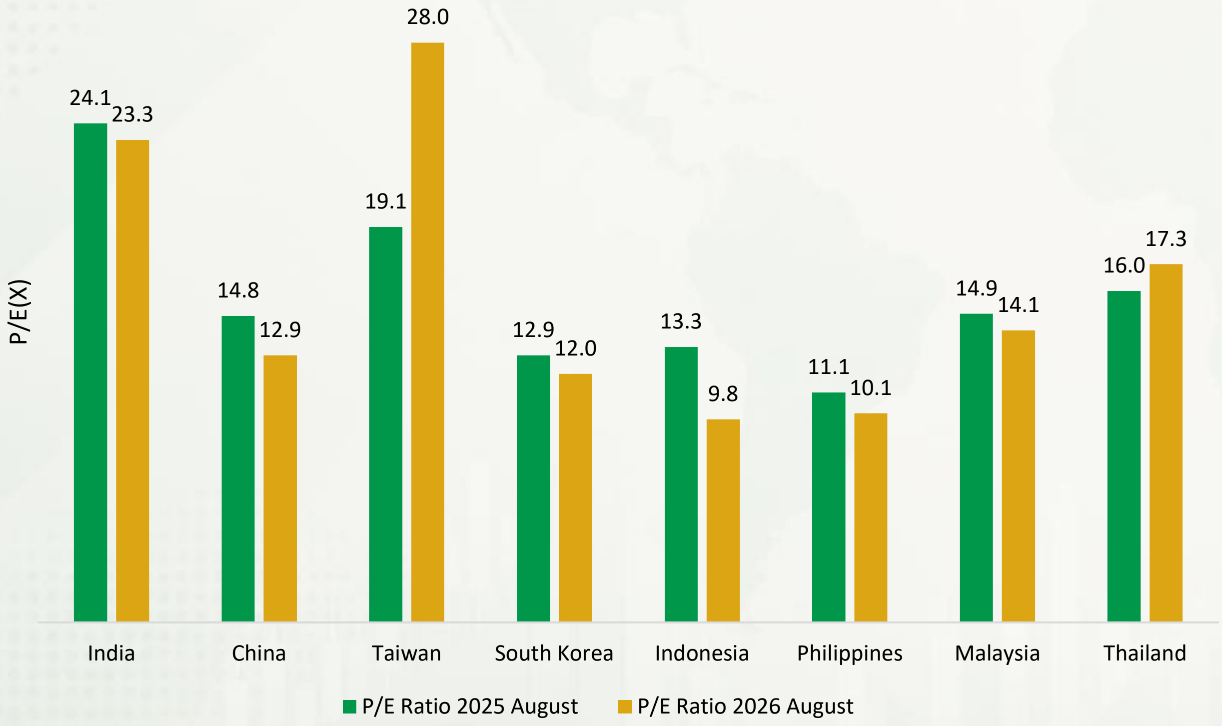
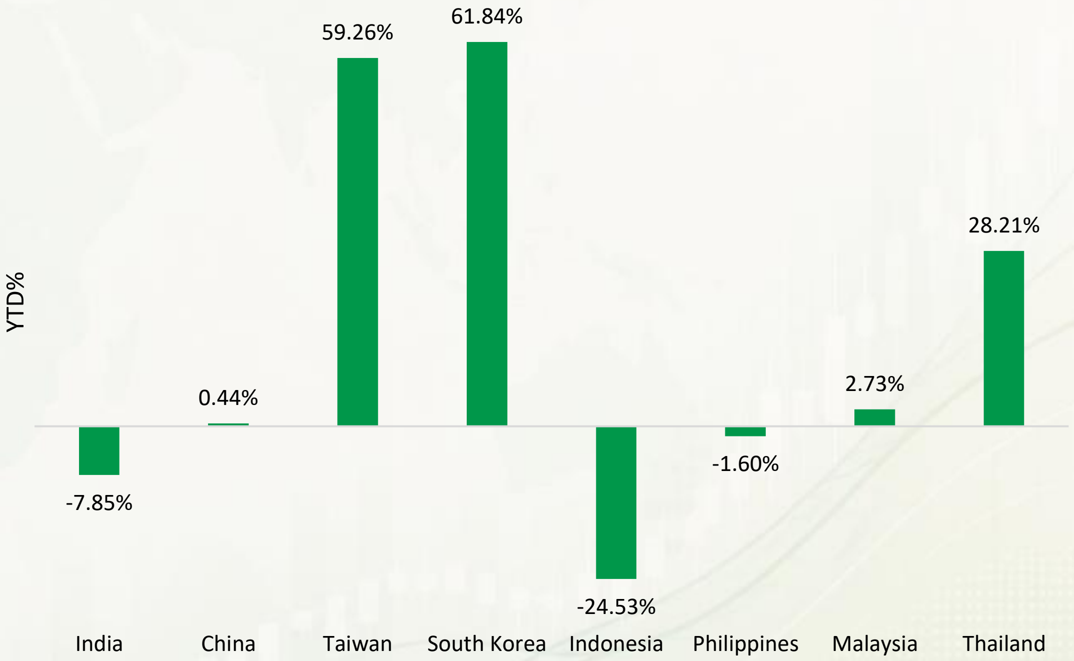
Emerging Markets (Asia) — Visual Comparison

EMERGING

P/E Ratio by Market



YTD Index Return



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