

Mr. Renuke Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
4-01, West Block
World Trade Centre
Echelon Square
Colombo 1.

15th May 2023



CAPITAL ALLIANCE PLC

**RE: CORPORATE DISCLOSURE UNDER SECTION 9 OF LISTING RULES OF THE
COLOMBO STOCK EXCHANGE DATED 10TH MAY 2023**

We write with reference to an inter-company borrowing whereby Capital Alliance PLC borrowed LKR 300 million from Capital Alliance Holdings Limited on 24th April 2023.

We had inadvertently overlooked reporting the above transaction and forward the attached letter for your review.

Please also find attached the LKR 200 million intercompany borrowing which was reported to you on the 10th May 2023 where the aggregate value of the intercompany borrowing has been amended to reflect the transaction of LKR 300 million.

We deeply regret the oversight and will ensure that such transactions will be reported within the stipulated timelines in future.

Yours faithfully,

Capital Alliance PLC

AJITH FERNANDO
Director/CEO

CAPITAL ALLIANCE PLC
Level 5, Millennium House, 46/58, Nawam Mawatha,
Colombo 02, Sri Lanka.

+94 11 231 7777 +94 11 231 7788 www.cal.lk Company Reg: No. PQ 00252285

BOARD OF DIRECTORS
Mr. W. A. T. Fernando | Mr. R. J. Arasaratnam | Mr. D. A. De Zoysa | Mr. C. S. R. S. Anthony | Ms. A. I. C. Nandasena |
Ms. K. A. D. Siriwardene

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CAPITAL ALLIANCE PLC
AMENDED CORPORATE DISCLOSURE UNDER SECTION 9 OF LISTING RULES
OF THE COLOMBO STOCK EXCHANGE

The following disclosure is made to the Colombo Stock Exchange (CSE) in terms of section 9.3.1 of the Listing Rules of the CSE, as the aggregate value of all non-recurrent related party transactions entered into with the relevant Related Party, Capital Alliance Holdings Limited, during the current financial year amounts to 10% of the Equity as per the latest audited financial statements ending 31st March 2022.

- i. Date of the transaction : 9th May 2023
- ii. Name of the relevant Related Party : Capital Alliance Holdings Limited
- iii. Relationship between the Entity and the Related Party : Holding Company
- iv. Details of the transaction : Inter-company borrowing of LKR.200 million at the rate of 25% p.a. for one month
- v. Rationale for entering into the Transaction: To increase liquidity for the Company
- vi. The aggregate value of the Related Party Transactions for the financial year with Capital Alliance Holdings Limited : LKR 500 million
- vii. The aggregate value of all Related Party Transactions for the same financial year : LKR 1,500 million

The Related Party Transactions Review Committee of the Company is of the view that the above transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders and therefore the Related Party Transaction Review Committee is not obtaining an opinion from an independent expert prior to forming its view on the transaction.

Yours faithfully,

Capital Alliance PLC

A handwritten signature in blue ink, appearing to read 'Ajith Fernando', is written over a circular stamp.

AJITH FERNANDO
Director/CEO

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