

CORPORATE ARCADE LTD

Registration No. PB 3794

(SECRETARIES & REGISTRARS)

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28th September 2021

Mr. Renuke Wijayawardhane
Chief Operations Officer
Colombo Stock Exchange
World Trade Center
Echelon Square
Colombo 01

Dear Sir,

NATION LANKA FINANCE PLC CORPORATE DISCLOSURE

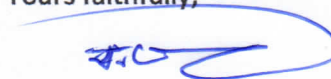
Further to the previous announcement made by the Board of Directors of Nation Lanka Finance PLC ["**NLFPLC**"] announcing the conditional approval granted by the Monetary Board of the Central Bank of Sri Lanka of the proposed amalgamation of NLFPLC and Sinhaputhra Finance PLC ["**SFPLC**"] to enable the satisfaction of the core capital and capital adequacy requirements under the Finance Business Act, [Capital Infusion"] we wish to provide the following update.

The Board of Directors of NLFPLC, in consultation with the major Shareholder of SFPLC, (i.e. Singhe Capital Investment Limited ["**SCIL**"]) has decided to pursue an alternate method which will enable NLFPLC to satisfy the Capital Infusion. It has been consequently agreed that SCIL will directly invest such amount of capital as is required for the Capital Infusion, by way of a Private Placement, subject to the approval of the Monetary Board / SEC / CSE and the Shareholders of the Company. NLFPLC and SCIL have entered into a Share Subscription Agreement reflecting such obligations and submitted the same to the Monetary Board of Sri Lanka for approval of the alternate proposal.

Shareholders and other Stakeholders of NLFPLC are advised that the Board will keep them duly informed of further developments.

Thanking you.

Yours faithfully,


**CORPORATE ARCADE LTD
COMPANY SECRETARIES & REGISTRARS FOR
NATION LANKA FINANCE PLC**

Directors:

Dr. Ranjit Fernando (Attorney-at-Law)
Mrs. Fazana Shareef (F C I S (UK))