9th December 2025

Chief Regulatory Officer
Colombo Stock Exchange
World Trade Centre
Colombo 01

Dear Madam,

ANNOUNCEMENT - RIGHTS ISSUE

The Board of Directors of Cargills Bank PLC (the "**Company**") wishes to announce that the Board, at its meeting held on the 09th of December 2025, resolved to recommend a Rights Issue of up to Two Hundred and Ninety-Four Million Two Hundred Thousand (294,200,000) new ordinary voting shares at Sri Lankan Rupees Eight and Cents Fifty (LKR 8.50) per share. The Rights Issue is subject to the Colombo Stock Exchange/Securities and Exchange Commission of Sri Lanka approving in principle the issue and listing of shares and obtaining shareholder approval via a special resolution at a General Meeting.

The Rights Issue will be offered to the registered ordinary voting shareholders of the Company as at the end of trading on the record date, in the proportion of Fourteen (14) new Ordinary Voting Shares for every Forty-Five (45) Ordinary Voting Shares held, by way of a Provisional Letter of Allotment. Rights may be renounced only in favour of the Central Depository Systems (Private) Limited (CDS). The stated capital of the Company as at the date of this announcement is Sri Lankan Rupees Eleven Billion Eight Hundred and Ninety-Four Million Four Hundred and Twenty-One Thousand Four Hundred and Forty-One (LKR 11,894,421,441). The net proceeds of the Rights Issue after deducting the associated issue costs are intended to be utilized to support lending activities.

Number of shares to be issued	294,200,000 ordinary voting shares
The proportion in which the shares are to be issued	Fourteen (14) New Ordinary Shares for every Forty-Five (45) existing Ordinary Shares
Price at which the shares are to be issued	LKR. 8.50
Total Capital to be raised	LKR 2,500,700,000
The current Stated Capital of the Company (As at 30th September 2025)	LKR 11,894,421,441 (represented by 945,642,858 ordinary voting shares)

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The purpose for which the proceeds of the issue will be used	The net proceeds of the Rights Issue after deducting the associated issue costs are intended to be utilized to support lending activities.

An Extraordinary General Meeting of the shareholders of the Company will be convened for the purpose of passing the required resolutions and obtaining approval for the said proposed Rights Issue.

Yours sincerely,

By Order of the Board,

CARGILLS BANK PLC

Senarath Bandara

Managing Director/Chief Executive Officer