

6th September 2021

Mr. Renuka Wijewardhane
Chief Regulatory Officer
Colombo Stock Exchange
Level 4- 01 West Block
World Trade Centre, Echelon Square
Colombo 01

Dear Sir,

ANNOUNCEMENT OF BASEL III COMPLIANT – TIER 2, LISTED, RATED, UNSECURED, SUBORDINATED, REDEEMABLE DEBENTURE ISSUE WITH A NON- VIABILITY CONVERSION

We write to inform you that the Board of Directors of National Development Bank PLC (the Bank) has decided to issue;

An initial Issue of Sixty Million (60,000,000) Basel III compliant – Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Debentures with a Non-Viability Conversion, with an option to issue up to a further Twenty Million (20,000,000) of the said Debentures at the discretion of the Bank in the event of an over subscription of the initial Issue.

We confirm that the aforesaid issue will be at an issue price (par value) of LKR 100/- each, subject to necessary regulatory and shareholder approvals therefor and that the Bank proposes to have these Basel III Compliant Debentures quoted on the Colombo Stock Exchange.

Yours faithfully

NATIONAL DEVELOPMENT BANK PLC


Shehani Ranasinghe
Company Secretary