

07th October 2021

Mr. Renuke Wijayawardhane
Chief Operating Officer
Colombo Stock Exchange
World Trade Centre
Echelon Square
Colombo 01

Dear Sir,

SOFTLOGIC CAPITAL PLC ("THE COMPANY")
CORPORATE DISCLOSURE – RELATED PARTY TRANSACTION

We write with reference to the above and give below the following disclosure in conformity with section 9.3 of the Listing Rules of the Colombo Stock Exchange.

- i. The date of the Transaction: 07th October 2021
- ii. Name of the relevant Related Party : Softlogic Finance PLC
- iii. Relationship between the Company and the Related Party: Softlogic Capital PLC is the immediate parent company of Softlogic Finance PLC.
- iv. Description of the Transaction : The Company granted a Subordinate Loan of Sri Lankan Rupees Nine Hundred Million only (Rs.900,000,000/-) to Softlogic Finance PLC with a maturity of 5 years structured in compliance with Directions issued by the Department of Supervision of Non Bank Financial Institutions to qualify for the purpose of meeting Tier II Capital under the Capital Adequacy Requirement by Softlogic Finance PLC .
- v. Basis of Disclosure: The transaction of value LKR 900,000,000/- exceeds 10% of the equity as per the latest Audited Financial Statements for the year ended 31st March, 2021
- vi. Rationale for entering into the Transaction : To enable Softlogic Finance PLC to meet Tier II Regulatory Capital Requirements as per the Directions of the Department of Supervision of Non Bank Financial Institutions.

The Related Party Transactions Review Committee is of the view that the transaction is on normal commercial terms, and is not prejudicial to the interests of the entity and its minority shareholders and the Related Party Transactions Review Committee has not obtained an opinion from an independent expert prior to forming its view on the transaction.

Contd..2/-

Softlogic Capital PLC

Level 16, One Galle Face Tower, Colombo 02, Sri Lanka. Reg. No. PB779PQ

Tel: +94 11 2018800 | Fax: +94 11 2327123 email: info@capital.softlogic.lk | Web: www.softlogiccapital.lk

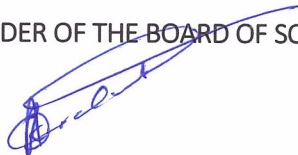
Board of Directors: Mr. Ashok Pathirage-Chairman, Mr. Ifthikar Ahamed, Mr. Ranjan Perera, Mr. Lucille Wijewardena, Mr. Ajitha Pasqual,
Mr. Aaron Russell Davison, Mr. Shanker Somasunderam, Mr. Aashiq Lafir

The aggregate value of all Related Party Transactions with Softlogic Finance PLC including the value of this Subordinated Debt is Rs. 901,740,000/-

The aggregate value of all related party transactions for the financial year including the value of this Subordinated Debt is Rs.1,368,242,974.10

Yours faithfully,

BY ORDER OF THE BOARD OF SOFTLOGIC CAPITAL PLC

A handwritten signature in blue ink, appearing to be 'D. S. S.', is written over the text 'BY ORDER OF THE BOARD OF SOFTLOGIC CAPITAL PLC'.

SOFTLOGIC CORPORATE SERVICES (PRIVATE) LIMITED
SECRETARIES TO SOFTLOGIC CAPITAL PLC