Softlogic Finance PLC
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Reg. No. PB 641PQ

August 17, 2020

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

Dear Sir,

SOFTLOGIC FINANCE PLC (THE "COMPANY") - CORPORATE DISCLOSURE

This is to inform you that the Board of Directors of Softlogic Finance PLC (the "Company") has resolved on 31st July 2020 to issue One Hundred and Sixty Five Million Three Hundred and Ninety Thousand Eight Hundred and Forty Eight (165,390,848) ordinary shares by way of a Rights Issue to the shareholders of the Company in the proportion of eight (8) new shares for every five (5) shares held as at the date of allotment at a consideration of Sri Lanka Rupees Eleven and Cents Fifty (LKR 11.50) per share.

The proceeds from the Rights Issue will be used to improve core capital (Tier 1) requirements of the Company.

The current stated capital of the Company is Sri Lanka Rupees Two Billion Six Hundred and Four Million Seven Hundred and Sixty Five Thousand Two Hundred and Thirty One and cents Twelve (Rs. 2,604,765,231.12).

Softlogic Capital PLC, immediate parent company of Softlogic Finance PLC, has agreed with the Company to fully undertake and subscribe and pay for unsubscribed rights shares of the Company.

The approval of the Central Bank of Sri Lanka has been granted by its letter dated 13th August 2020 for the said rights issue in terms of the Finance Companies (Structural Changes) Direction No. 01 of 2013.

The aforesaid issue of shares by way of the Rights issue is subject to the Colombo Stock Exchange approving in principle the said issue and listing of such shares and the Company obtaining shareholder approval at a General Meeting.

An Extraordinary General Meeting of the Company will be convened in order for the aforesaid Rights Issue to be approved by the shareholders.

Yours faithfully
For and on behalf of
SOFTLOGIC FINANCE PLC

Softlogic Corporate Services (Pvt) Ltd

....
Secretaries

SOFTLOGIC CORPORATE SERVICES (PVT) LTD
SECRETARIES