Softlogic Finance PLC
JFI Tower 3, Zone B&C,
6th Floor, No. 75,
Piyadasa Sirisena Mawatha,
Colombo 10, Sri Lanka.
Tel : +94 112 359600, 2359700
Hotline : +94 112 104 204
email: info@softlogicfinance.lk
web: www.softlogicfinance.lk
Reg. No. PB641PQ

08th July 2025

Mr. Renuka Wijayawardhana
Chief Regulatory Officer
Colombo Stock Exchange
World Trade Centre
Echelon Square
Colombo 01.

Dear Sir

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

In terms of Section 8 and 9 of the Listing Rules of the Colombo Stock Exchange, the Company wishes to disclose that the Company has entered into an agreement with S R One (Private) Limited, a fully owned subsidiary of Softlogic Capital PLC, for the transfer of the beneficial ownership of a part of the Company's loan portfolio for cash.

The aforesaid transaction is the 4th transfer of a part of the Company's loan portfolio and represents the 2nd transfer for the financial year.

The 1st transfer was completed on 31st July 2024 for a cash amount of LKR 100,093,222.95, 2nd transfer was completed on 6th September 2024 for a cash amount of LKR 1,000,172,933.75, and the 3rd transfer was completed on 07th July 2025 for a cash amount of LKR 200,188,025.12 as stated in the Company's CSE disclosures of 01st August 2024,10th September 2024 and 08th July 2025 respectively.

A brief description of the transaction is provided below.

i. The date of the transaction –07th July 2025
ii. Name of the Relevant Related Party – S R One (Private) Limited
iii. Relationship between the Company and the related party – Softlogic Finance PLC is an affiliated company of S R One (Private) Limited
iv. Description of the Transaction –The transfer of the beneficial ownership of a part of the Company's loan portfolio for cash amounting to LKR 200,057,986.34.
v. Rationale for entering into the transaction – The transaction is pursuant to an alternative Capital augmentation Plan of the Company. This plan is designed to enhance the company's balance sheet and meet its capital adequacy requirements.
vi. The aggregate value of the Related Party Transactions for the financial year with the particular Related Party whose transaction is the subject of the announcement is LKR 400,246,011.46.
vii. The aggregate value of all non-recurrent Related Party Transactions for the same financial year is approximately LKR 400,246,011.46.

The Related Party Transactions Review Committee of the Entity 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 the transaction has been advised by independent experts, prior to forming its view on the transaction.

Yours faithfully,
For and on behalf of
SOFTLOGIC FINANCE PLC

SOFTLOGIC CORPORATE SERVICES (PVT) LTD
SECRETARIES