



No. 12, Edmonton Road, Kirulapone, Colombo 6, Sri Lanka.
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May 20, 2021

Mr. Renuke Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
04 - 01, West Block
World Trade Centre
Echelon Square
Colombo 01

Dear Sir,

SANASA DEVELOPMENT BANK PLC- PROPOSED SECONDARY PUBLIC OFFERING (SPO)

Reference is made to the disclosure dated April 5, 2021 with regard to the SPO under consideration to issue up to Sixty Eight Million (68,000,000) new Ordinary Voting Shares of the Bank (Initial Issue) and in the event of an oversubscription of the Initial Issue to issue up to a further Twenty Million (20,000,000) new Ordinary Voting Shares of the Bank at the discretion of the Board of Directors of SDB (Further Issue) resulting in a total issuance of up to Eighty Eight Million (88,000,000) new Ordinary Voting Shares of the Bank (Total Issue).

As communicated via the aforesaid disclosure and the Circular to Shareholders and Notice of Meeting dated May 3, 2021, and as decided by the Board of Directors of SDB, the aforesaid new Ordinary Voting Shares under the SPO will be issued at a price of LKR 51.50 per Ordinary Voting Share, determined based on the one month (01) Volume Weighted Average Price (VWAP) of SDB share as at May 20, 2021. i.e. three (03) market days prior to the Extraordinary General Meeting to be held on May 28, 2021.

Accordingly, the Bank intends to raise up to LKR 3,502,000,000/- via the Initial Issue and in the event of an oversubscription of the Initial Issue to raise LKR 1,030,000,000/- via the Further Issue resulting in a total amount of up to LKR 4,532,000,000/- being raised via the Total Issue.

Further information about the SPO as relevant will be disclosed to the CSE in due course.

Yours faithfully,

For and on behalf of

SANASA DEVELOPMENT BANK PLC



Tamarika Rodrigo
Company Secretary

Copy to: Chief Executive Officer, NDB Investment Bank Limited, Financial Advisors and Managers to SPO