

31st December, 2020

Mr. Renuke Wijayawardhane,
Chief Regulatory Officer
Colombo Stock Exchange
No. 04-01, West Block
World Trade Centre, Echelon Square
Colombo 01

Dear Sir,

SOFTLOGIC CAPITAL PLC ("SCAP") – DEBENTURE ISSUE - 2019
UTILIZATION OF FUNDS OBJECTIVE 2

We write with reference to the above and wish to inform you that as per the Prospectus dated 3rd December, 2019 pertaining to the above subject.

The Company allocated LKR 900,000,000/- under Objective 2 and from that the Company reserved LKR 500Mn for future acquisitions/investments, and up to LKR 400Mn will be utilized to settle short term debt. Accordingly, we wish to confirm you that the Company utilized LKR 400,000,000/- to settle short term debts as indicated the said prospectus by February, 2020.

Further the Company utilized LKR 500,000,000/- to subscribe for the Softlogic Finance PLC's Rights Issue which was completed in December 2020.

With reference to the objective 1, LKR 97,061,324/- remains unutilized out of the allocated amount of LKR 600,000,000/- and the Company utilized these funds also to subscribe for Softlogic Finance PLC's Rights Issue in line provisions given in the prospectus in December 2020.

This will be reflected in next immediate financial statements of the Company.

Yours faithfully,

For and on behalf of

SOFTLOGIC CAPITAL PLC



SOFTLOGIC CORPORATE SERVICES (PRIVATE) LIMITED
SECRETARIES

Softlogic Capital PLC

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