

DIALOG FINANCE PLC
Company No. PB 765 PQ
No. 475, Union Place,
Colombo 02.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY GENERAL MEETING OF DIALOG FINANCE PLC WILL BE HELD AT SHORT NOTICE ON 26 AUGUST 2021 AT 2:30 P.M. AS A VIRTUAL MEETING FROM THE BROADCAST VENUE AT THE BOARDROOM, DIALOG AXIATA PLC, 14TH FLOOR, NO. 475, UNION PLACE, COLOMBO 2, SRI LANKA.

I) To consider and if thought fit, pass the following Resolutions as Ordinary Resolutions:

1. ORDINARY RESOLUTION 1 - RIGHTS ISSUE OF SHARES

“IT IS HEREBY RESOLVED that, Eight Million Six Hundred and Sixteen Thousand Five Hundred and Four (8,616,504) new Ordinary Shares be issued by the Company by way of a Rights Issue to the Registered shareholders of the Company in the proportion of Eight (08) New ordinary shares for every One Hundred and One (101) existing ordinary shares held as at the end of trading on 26 August 2021 (the market day prior to the Ex-Rights date) and Where Delivery vs Payment (DVP) is enabled, the shareholders of the Company who hold their shares in their respective CDS accounts/in the share ledger as at end of trading on the third (3rd) market day from and excluding the date of the general meeting (i.e. the “Record date”) will be entitled to this issuance of shares, at a consideration of Rupees Sixty Five (Rs. 65.00) per share, which in the opinion of the Board is fair and reasonable to the Company and to all existing shareholders of the Company as required by the Companies Act, and such offer be made by way of a provisional letter of allotment with provision for renunciation to the CDS and the shares not subscribed for as at the last day of acceptance specified in the provisional letter of allotment be deemed to have been declined and such declined shares be allotted at the same price to the existing ordinary shareholders (as the case may be) on a fair and reasonable basis as determined by the Board of Directors.

IT IS FURTHER RESOLVED that the fractional entitlements of Ordinary Shares shall not be allotted to the relevant shareholders and instead all fractions of shares shall be pooled together and shall be made available as additional shares and be allotted to those shareholders who apply for additional ordinary shares (as the case may be) on a fair and reasonable basis as determined by the Board of Directors. (Refer Circular to Shareholders, Section 1 for formula to determine fractional entitlements).

IT IS FURTHER RESOLVED that the new ordinary shares shall rank *pari passu* with the existing issued ordinary shares and shall qualify for all dividends declared, only after the final allotment which shall be after the last date of acceptance and payment”.

2. ORDINARY RESOLUTION 2 - DEVIATION IN THE TIMELINES PERTAINING TO THE UTILISATION OF FUNDS OF RIGHTS ISSUES CONDUCTED IN 2019 AND 2020

“IT IS HEREBY RESOLVED that the deviation of timelines pertaining to the utilisation of funds, in relation to the Rights Issue of 19,103,158 Ordinary Voting Shares at Rs 40.00 per share in 2019 and the Rights Issue of 17,446,388 Ordinary Voting Shares at Rs 40.20 per share in 2020, be approved, as the Company was unable to utilise the total proceeds of the said Rights Issues within the time period undertaken (refer below table), as the loan book of the Company was not expanded as planned since business growth of the company was impacted by the COVID-19 pandemic and economic slowdown and the Company is still in the process of progressing expansion and development of its loan product portfolio which will enable the Company to utilize the proceeds of the Rights Issue for lending purposes.

Utilisation of funds raised from previous Rights Issues as at 30 June 2021

Year	Funds Raised via Rights Issue (LKR)	Amount Utilised (LKR)	Amount Unutilised (LKR)	Amount utilised as a % of funds raised
2019	764,126,320.00	688,062,644.00	76,063,676.00	90.0%
2020	701,344,798.00	1,451,460.00	699,893,338.00	0.2%

IT IS FUTHER RESOLVED that the funds which have not been utilised be invested in banks in the form of fixed deposits, call deposits and money market savings accounts etc., until such funds are gradually utilised with the growth of the loan book of the Company.”

II) To consider and if thought fit, pass the following Resolution as a Special Resolution:

1. SPECIAL RESOLUTION 1 - ADOPTION OF NEW ARTICLES OF ASSOCIATION

“IT IS HEREBY RESOLVED that new Articles of Association of the Company be and are hereby adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.”

By Order of the Board of
DIALOG FINANCE PLC



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Viranthi Attygalle
COMPANY SECRETARY
Colombo
06 August 2021

NOTES:

- 1) *Due to the health risks associated with the COVID-19 pandemic and related guidelines and regulations issued by the Ministry of Health, the Extraordinary General Meeting (“EGM”) will be held as a virtual meeting, and as such shareholders will only be able to participate in the EGM virtually, via the designated online meeting platform.*
- 2) *The EGM is being convened at short notice with the written agreement of the shareholder representing 99.05% of the shareholding of the Company, notwithstanding that less than fifteen (15) working days’ notice is being given.*
- 3) *Only persons who are shareholders of the Company and whose names appear on the Share Register as at 24 August 2021 will be entitled to participate in the above virtual meeting.*
- 4) *The Notice of EGM, Circular to the shareholders and the Form of Proxy will also be published on the corporate website at www.dialogfinance.lk/important-notices.*
- 5) *If you wish to participate at the meeting via the designated online meeting platform, you must pre-register your participation by completing the online pre-registration form available www.dialogfinance.lk/important-notices on or before 2:30PM on 24 August 2021.*
- 6) *Upon verification of the registration details, an email of confirmation will be sent to the shareholders followed by an email with the log-in information closer to the AGM. Please note that the log-in information is authorised only for use by shareholders or their duly appointed proxy. The Company shall not be responsible or liable for misuse and /or unauthorised use of the log-in information.*
- 7) *A shareholder entitled to participate and vote at the above virtual meeting is entitled to appoint a proxy to participate and vote in his/her place by completing the Form of Proxy enclosed herewith.*
- 8) *A proxy need not be a shareholder of the Company. However, the proxy must be above 18 years of age.*
- 9) *Shareholders who are unable to participate in the above virtual meeting are also encouraged to submit a duly completed Form of Proxy appointing the Chairperson of the Meeting to participate and vote on their behalf.*
- 10) *For more information, shareholders can contact Ms. Rochelle Alahakone on +94 773 36 299 during working hours.*