



Ref: CSE/18/2017

12 September 2017



Mr. Renuke Wijayawardhane
Chief Operating Officer
Colombo Stock Exchange
Level 4-1 West Tower
World Trade Centre
Colombo 1

Dear Sir,

DIALOG AXIATA PLC – PRESS RELEASE

Further to our Corporate Disclosure dated 12 September 2017 pertaining to the acquisition of voting shares in Colombo Trust Finance PLC, we forward herewith a copy of the media release which will be disseminated in parallel with this notification

Yours sincerely,
DIALOG AXIATA PLC

Supun Weerasinghe
Director/Group Chief Executive

Encl/

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12/09

DIALOG ACQUIRES 80% OF COLOMBO TRUST FINANCE

Dialog Axiata PLC ("Dialog"), Sri Lanka's premier connectivity provider announced 12 September 2017 that it had successfully completed the acquisition of an 80.34% stake in Colombo Trust Finance PLC ("CTF") from Cargills Bank Limited at a price of LKR 28.70 per share. CTF is a Finance Company licensed by the Central Bank of Sri Lanka operating under the Finance Business Act No. 42 of 2011.

The transaction which was approved by the Monetary Board of the Central Bank of Sri Lanka was completed via a crossing on the Colombo Stock Exchange ("CSE") on 12 September 2017 at a transaction value of LKR 1072 Million. In accordance with the Takeovers and Mergers Code of the Securities and Exchange Commission, Dialog will proceed to announce a mandatory offer to the remaining shareholders of CTF.

The acquisition of CTF by Dialog Axiata PLC, will facilitate the expansion of the scope of operations of the Dialog Group in to the sphere of mainstream Digital Financial Services. Dialog aims to bring together the realms of advanced digital connectivity and cutting edge Financial Technology (FinTech) to deliver a revolutionary suite of products and services which will expand the vistas of financial inclusion in Sri Lanka. Significant within the envisaged inclusion drive, will be a focus on financing solutions aimed at increasing the affordability and accelerating the adoption of digital devices and services by a wide spectrum of consumers and businesses.

Dialog Axiata entered the sphere of Financials services in 2012 when it was licensed by the Central Bank of Sri Lanka to operate the country's first Mobile Payment Service eZ Cash. Now in its 5th Year of Operation, eZ Cash has over the years secured over 2.8 Million Mobile Payment subscribers from across Etisalat Hutch and Dialog Mobile Networks. In 2015, eZ Cash won the GSM World Award for the best Mobile Payment Network Globally in recognition of being the World's first end to end Inter-operable mobile payments network. More recently, Brand Finance named eZ Cash as Sri Lanka's highest valued e-commerce brand. Dialog also operates the TOUCH contactless transport payment service under license by the Central Bank of Sri Lanka.

Dialog's latest acquisition CTF, will be operated alongside the Digital Services Portfolio of the Dialog Group. Other digital ventures of the Dialog Group include Sri Lanka's leading e-commerce portal WoW.lk operated by Digital Commerce Lanka, Doc.lk operated by Digital Health (Pvt.) Ltd., and the country's leading digital education service Guru.lk operated by Headstart Pvt Ltd.

Supun Weerasinghe, Director/Group Chief Executive - Dialog Axiata PLC said, "Dialog envisages that its foray into financial services would help accelerate Sri Lanka's drive towards adoption of Digital Financial Services by encouraging digital savings and increase access to financial services for all segments of society. Dialog would also leverage this acquisition to drive down the entry barriers for adoption of smart technology and devices through inclusive financing solutions."

NDB Investment Bank acted as Financial Advisors to the acquisition, whilst M/s FJ & G de Saram acted as Legal Advisors to the transaction.

About Dialog Axiata PLC

Dialog Axiata Group, a subsidiary of Axiata Group Berhad (Axiata), operates Sri Lanka's Leading Quad-Play Connectivity Provider. Dialog Axiata Plc, listed on the Colombo Stock Exchange,

supplements its market leading position in the Mobile Telecommunications sector with a robust footprint and market presence in Sri Lanka's Fixed Telecommunications and Digital Television markets through its fully owned subsidiaries Dialog Broadband Networks (Private) Ltd (DBN) and Dialog Television (Private) Ltd., (DTV). Dialog Axiata Group is Sri Lanka's largest Foreign Direct Investor (FDI) with investments totalling over USD 2.1 Billion.

A winner of six Global Mobile Awards, Dialog has the distinction of being voted by Sri Lankan Consumers as the Telecom Service Provider of the Year for six years in succession at the SLIM-Nielsen People's Choice Awards. Dialog was also voted by Sri Lankan consumers as the Internet Service Provider of the Year, and has topped Sri Lanka's Corporate Accountability rankings for the past six years in succession and is an ISO 9001 certified company. The Company has received numerous local and international awards including the National Quality Award and Sri Lanka Business Excellence Award.

Dialog has been at the forefront of innovation in the mobile industry in Sri Lanka since the late 90's, propelling the nation's mobile telephony infrastructure to a level of advancement on par with the developed world. The company delivers advanced mobile telephony and high speed mobile broadband services to a subscriber base in excess of 11.8 Million Sri Lankans, via 2.5G and 3G/3.5G and 4G networks.