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Colombo, Sri Lanka, April 1, 2025

THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

NOTICE OF COMPLETION OF DISTRIBUTION OF SUBSTITUTE CONSIDERATION AND ACCRUED INTEREST FOLLOWING SRI LANKA'S CONSENT SOLICITATION AND INVITATION TO EXCHANGE (THE "INVITATION")

On November 25, 2024, the Government of the Democratic Socialist Republic of Sri Lanka (the "**Republic**") launched the Invitation pursuant to an invitation memorandum dated November 25, 2024 (the "**Invitation Memorandum**"). The Invitation Memorandum is available on the Invitation Website (see below). Terms used in this announcement but not defined herein have the respective meanings given to them in the Invitation Memorandum.

On December 20, 2024, the Republic successfully settled the Exchange in connection with all of the Republic's bonds covered by the Invitation (other than the 2022 Bonds for which valid Instructions were not received and which were not subject to mandatory exchange), all of which were subsequently cancelled. On the same date, GLAS Trustees Limited (the "**International Holding Period Trustee**") received the relevant proportion of the Exchange Consideration (comprised of the Global Bonds Option) and, where applicable, the relevant entitlements to the Exchange Fee Bonds, due to Holders of Existing Bonds other than the 2022 Bonds that (a) failed to submit, or arrange to have submitted on their behalf, a valid Instruction ("**Non-Participating Holders**") at or prior to the Expiration Deadline or (b) specified that they are Ineligible Holders in their Instructions ("**Ineligible Holders**"). Any payments of principal and interest paid since the Settlement Date on the New Eurobonds and Exchange Fee Bonds held by the International Holding Period Trustee pursuant to the International Holding Period Arrangement were distributed by the Republic to the International Holding Period Trustee.

On January 16, 2025 (the "**First Distribution Date**"), the Holding Period Distribution Date following January 9, 2025 (the "**International Holding Period First Deadline Date**"), Non-Participating Holders that submitted an International Holding Period Instruction certifying their status as an Eligible Holder and, if required, Settlement Account Details, prior to 5:00 p.m. (Eastern Standard Time) on the International Holding Period First Deadline Date received, via the relevant Direct Participant, the Exchange Consideration (comprised of the Global Bonds Option) to which such Eligible Holder is entitled, together with any payments of principal paid on the relevant New Eurobonds since the Settlement Date and held by the International Holding Period Trustee. A breakdown of these distributions is set out in Tables D and E below.

On February 27, 2025 (the "**Second Distribution Date**"), the Holding Period Distribution Date following February 18, 2025 (the "**International Holding Period Termination Date**"), Non-Participating Holders that submitted an International Holding Period Instruction certifying their status as an Eligible Holder and, if required, their Settlement Account Details, following the International Holding Period First Deadline Date but at or prior to 5:00 p.m. (Eastern Standard Time) on the International Holding Period Termination Date received, via the relevant Direct Participant, the Exchange Consideration (comprised of the Global Bonds Option) to which such Eligible Holder is entitled, together with any payments of principal paid on the relevant New Eurobonds since the Settlement Date and held by the International Holding Period Trustee. A breakdown of these distributions is set out in Tables D and E below.

On March 13, 2025 (the "**Sale Date**"), the International Holding Period Trustee completed all transactions for the sale of the New Eurobonds (each, a "**Sale**") which Ineligible Holders and Non-Participating Holders that failed to submit a Holding Period Instruction certifying that they are Eligible Holders and, if required, Settlement Account Details, at or prior to the International Holding Period Termination Date, would have otherwise received pursuant to the Exchange had they participated in the Exchange and certified their eligibility.

On March 27, 2025 (the "**Substitute Consideration Distribution Date**") Ineligible Holders and Non-Participating Holders that failed to submit a Holding Period Instruction certifying that they are Eligible

Holders and, if required, Settlement Account Details, at or prior to the International Holding Period Termination Date received, via the relevant Direct Participant, the relevant proceeds from the Sales (net of the costs of sale including the fees of any marketing agent or broker appointed in relation to the Sales and any taxes and provisions for tax on sale or as a result of the Holding Period Arrangement, the "**Net Cash Proceeds**"), together with the *pro-rata* distribution of the Accrued Consideration and any payments of principal and interest paid on the relevant New Eurobonds subject to such Sales since the Settlement Date and held by the International Holding Period Trustee (collectively, the "**Substitute Consideration**"). A breakdown of these distributions is set out in Tables A and B below.

On March 27, 2025 (the "**Holding Period Interest Distribution Date**"), Holders that received the relevant Exchange Consideration on the First Distribution Date or the Second Distribution Date (as applicable) but that did not receive on the First Distribution Date or the Second Distribution Date (as applicable) the relevant payments of accrued interest paid on the relevant New Eurobonds since the Settlement Date and held by the International Holding Period Trustee being: (i) in respect of the First Distribution Date, the accrued interest in respect of the Step-Up Macro-Linked Bonds due 2030 paid to the International Holding Period Trustee on the Interest Payment Date of 15 January 2025 and (ii) in respect of the Second Distribution Date, the accrued interest in respect of the Step-Up Macro-Linked Bonds due 2030 paid to the International Holding Period Trustee on the Interest Payment Date of 15 January 2025 and the accrued interest in respect of the Step-Up Macro-Linked Bonds due 2038 paid to the International Holding Period Trustee on the Interest Payment Date of 15 February 2025, received, via the relevant Direct Participant, payments of such relevant accrued interest. A breakdown of these distributions is set out in Table C below.

Due to factors (including, but not limited to, market conditions and the volume of Exchange Consideration sold) the Net Cash Proceeds is less than the principal amount of the Exchange Consideration otherwise due. The Republic is not obligated to pay any amount other than, or additional to, the Substitute Consideration, and payment of the Substitute Consideration has fully and finally discharged the Republic's obligation to deliver Exchange Consideration to the relevant holders of Existing Bonds.

None of the Republic, the International Holding Period Trustee or the Information, Tabulation and Exchange Agent will be responsible for any errors, delays in processing or systemic breakdowns or other failure in the delivery of the relevant New Eurobonds by any Direct Participant in the Clearing System and/or any other securities intermediary with respect to such Existing Bonds to the Holder, and no additional amounts will be payable to the Holder in the event of any delay in such delivery.

Following the disbursements of all amounts related to the International Holding Period Arrangement and the fulfilment of the International Holding Period Trustee's obligations in respect thereof, the International Holding Period Trustee shall arrange for (i) the closure of the cash and securities accounts established in the name of the International Holding Period Trustee for the receiving and holding of amounts and New Eurobonds subject to the International Holding Period Arrangement, and (ii) the winding up of the International Holding Period Arrangement as soon as reasonably practicable following the date of this announcement.

Table A – Substitute Consideration – Non-Participating Holders

Existing Bond	ISIN	CUSIP	Substitute Consideration
			Non-Participating Holders per U.S.\$1,000 principal amount of Existing Bonds
2023 Bonds	US85227SAV88	85227SAV8	U.S.\$679.240152
	USY8137FAK40	Y8137FAK4	U.S.\$679.257066
March 2024 Bonds	US85227SAY28	85227SAY2	U.S.\$675.969388
	USY8137FAN88	Y8137FAN8	U.S.\$675.980282
June 2024 Bonds	USY8137FAQ10	Y8137FAQ1	U.S.\$680.057609
2027 Bonds	US85227SAT33	85227SAT3	U.S.\$684.734640
	USY8137FAH11	Y8137FAH1	U.S.\$684.749299
2028 Bonds	US85227SAW61	85227SAW6	U.S.\$699.521935
	USY8137FAL23	Y8137FAL2	U.S.\$699.591281
2029 Bonds	US85227SAZ92	85227SAZ9	U.S.\$692.556533
	USY8137FAP37	Y8137FAP3	U.S.\$692.566879
2030 Bonds	US85227SBB16	85227SBB1	U.S.\$684.782000
	USY8137FAR92	Y8137FAR9	U.S.\$684.878192
June 2025 Bonds	USY8137FAC24	Y8137FAC2	U.S.\$679.811013
November 2025 Bonds	US85227SAQ93	85227SAQ9	U.S.\$698.948780
	USY8137FAE89	Y8137FAE8	U.S.\$698.991497
2026 Bonds	USY8137FAF54	Y8137FAF5	U.S.\$685.367347

Table B – Substitute Consideration – Ineligible Holders

Existing Bond	ISIN	CUSIP	Substitute Consideration
			Ineligible Holders per U.S.\$1,000 principal amount of Existing Bonds
2023 Bonds	USY8137FAK40	Y8137FAK4	U.S.\$694.527350
June 2024 Bonds	USY8137FAQ10	Y8137FAQ1	U.S.\$695.330400
2027 Bonds	USY8137FAH11	Y8137FAH1	U.S.\$700.019350
2030 Bonds	USY8137FAR92	Y8137FAR9	U.S.\$700.148633
June 2025 Bonds	USY8137FAC24	Y8137FAC2	U.S.\$703.111100
November 2025 Bonds	USY8137FAE89	Y8137FAE8	U.S.\$722.291633
2026 Bonds	USY8137FAF54	Y8137FAF5	U.S.\$708.667833

Table C – Distribution of Interest on the Holding Period Interest Distribution Date

Description	ISIN/Common Code	Interest Payment Date	Interest Payment Date
		15 January 2025 ⁽¹⁾	15 February 2025 ⁽¹⁾
(Amount per U.S.\$1,000 of New Eurobonds)			
Step-Up Macro-Linked Bonds due 2030	Regulation S: XS2966241361 / 296624136	U.S.\$15.50	
	Rule 144A: XS2966241528 / 296624152	U.S.\$15.50	
Step-Up Macro-Linked Bonds due 2038	Regulation S: XS2966242096 / 296624209		U.S.\$18.00
	Rule 144A: XS2966242252 / 296624225		U.S.\$18.00

⁽¹⁾ Holders that received the relevant Exchange Consideration on the First Distribution Date are eligible to receive the accrued interest in respect of the Step-Up Macro-Linked Bonds due 2030 paid on the Interest Payment Date of 15 January 2025. Holders that received the relevant Exchange Consideration on the Second Distribution Date are eligible to receive the accrued interest in respect of the Step-Up Macro-Linked Bonds due 2030 paid on the Interest Payment Date of 15 January 2025 and the accrued interest in respect of the Step-Up Macro-Linked Bonds due 2038 paid on the Interest Payment Date of 15 February 2025.

Table D – Distributions of Accrued Consideration

Description	ISIN/Common Code	Accrued Consideration per U.S.\$1,000 of New Eurobonds
Step-Up Macro-Linked Bonds due 2030	Rule 144A: XS2966241528 / 296624152	U.S.\$9.04
	Regulation S: XS2966241361 / 296624136	U.S.\$9.04
Step-Up Macro-Linked Bonds due 2033	Rule 144A: XS2966241791 / 296624179	U.S.\$15.35
	Regulation S: XS2966241445 / 296624144	U.S.\$15.35
Step-Up Macro-Linked Bonds due 2036	Rule 144A: XS2966241874 / 296624187	U.S.\$22.50
	Regulation S: XS2966241957 / 296624195	U.S.\$22.50
Step-Up Macro-Linked Bonds due 2038	Rule 144A: XS2966242252 / 296624225	U.S.\$13.50
	Regulation S: XS2966242096 / 296624209	U.S.\$13.50
Step-Up Governance-Linked Bonds due 2035	Rule 144A: XS2966242336 / 296624233	U.S.\$25.50
	Regulation S: XS2966242179 / 296624217	U.S.\$25.50
4.00% PDI Bonds due 2028	Rule 144A: XS2966242419 / 296624241	U.S.\$84.89 ^(*)
	Regulation S: XS2966242500 / 296624250	U.S.\$84.89 ^(*)

(*) With regards to the PDI Bonds, such amount equals U.S.\$21.67 per U.S.\$1,000 of nominal amount of PDI Bond as Accrued Consideration *plus* the First PDI Amortization Amount, being an amount equal to approximately U.S.\$63.22 per U.S.\$1,000 of nominal amount of PDI Bonds following the deduction of the Committees' Expenses Shortfall (which totalled approximately U.S.\$6.78 per U.S.\$1,000 of nominal amount of PDI Bonds).

Table E – Global Bonds Option

The following table set outs the nominal amounts of New Eurobonds issued and exchanged for Existing Bonds, including those New Eurobonds distributed to the International Holding Period Trustee on behalf of Non-Participating Holders and Ineligible Holders pursuant to the International Holding Period Arrangement.

Existing Bond	ISIN	Principal Amount Outstanding ⁽¹⁾	Global Bonds Option - Exchange Consideration (U.S.\$) ⁽²⁾						Total Consideration
			2030 Macro Linked Bonds	2033 Macro Linked Bonds	2036 Macro Linked Bonds	2038 Macro Linked Bonds	Governance Linked Bonds	PDI Bonds	
2023 Bonds	US85227SAV88 / USY8137FAK40	U.S.\$1,250,000,000	U.S.\$103.59	U.S.\$203.19	U.S.\$95.22	U.S.\$190.52	U.S.\$137.20	U.S.\$126.66	U.S.\$856.38
March 2024 Bonds	US85227SAY28 / USY8137FAN88	U.S.\$1,000,000,000	U.S.\$103.59	U.S.\$203.19	U.S.\$95.22	U.S.\$190.52	U.S.\$137.20	U.S.\$123.11	U.S.\$852.83
June 2024 Bonds	US85227SBA33 / USY8137FAQ10	U.S.\$500,000,000	U.S.\$103.59	U.S.\$203.19	U.S.\$95.22	U.S.\$190.52	U.S.\$137.20	U.S.\$127.53	U.S.\$857.25
2027 Bonds	US85227SAT33 / USY8137FAH11	U.S.\$1,500,000,000	U.S.\$103.59	U.S.\$203.19	U.S.\$95.22	U.S.\$190.52	U.S.\$137.20	U.S.\$132.61	U.S.\$862.33
2028 Bonds	US85227SAW61 / USY8137FAL23	U.S.\$1,250,000,000	U.S.\$103.59	U.S.\$203.19	U.S.\$95.22	U.S.\$190.52	U.S.\$137.20	U.S.\$148.69	U.S.\$878.41
2029 Bonds	US85227SAZ92 / USY8137FAP37	U.S.\$1,400,000,000	U.S.\$103.59	U.S.\$203.19	U.S.\$95.22	U.S.\$190.52	U.S.\$137.20	U.S.\$141.08	U.S.\$870.80
2030 Bonds	US85227SBB16 / USY8137FAR92	U.S.\$1,500,000,000	U.S.\$103.59	U.S.\$203.19	U.S.\$95.22	U.S.\$190.52	U.S.\$137.20	U.S.\$132.75	U.S.\$862.47
June 2025 Bonds	US85227SAN62 / USY8137FAC24	U.S.\$650,000,000	U.S.\$103.59	U.S.\$203.19	U.S.\$95.22	U.S.\$190.52	U.S.\$137.20	U.S.\$127.26	U.S.\$856.98

November 2025 Bonds	US85227SAQ93 / USY8137FAE89	U.S.\$1,500,000,000	U.S.\$103.59	U.S.\$203.19	U.S.\$95.22	U.S.\$190.52	U.S.\$137.20	U.S.\$148.04	U.S.\$877.76
2026 Bonds	US85227SAR76 / USY8137FAF54	U.S.\$1,000,000,000	U.S.\$103.59	U.S.\$203.19	U.S.\$95.22	U.S.\$190.52	U.S.\$137.20	U.S.\$133.28	U.S.\$863.00

- ⁽¹⁾ As of the date of this announcement. The term "Outstanding" for each Series of Existing Bonds has the meaning ascribed to it in the applicable Existing Indenture.
- ⁽²⁾ Principal amount of New Securities per U.S.\$1,000 principal amount of Existing Bonds. The aggregate nominal amount of New Securities to be received pursuant to each Instruction will be rounded down to the nearest U.S.\$1. For the avoidance of doubt, no cash will be paid for fractional entitlements.

This announcement is made by Sri Lanka and constitutes a public disclosure of inside information under Regulation (EU) 596/2014 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.

Any questions regarding the terms of the Invitation may be directed to the Dealer Manager and questions regarding settlement should be directed to the Information, Tabulation and Exchange Agent. The contact details for each are specified below:

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Disclaimer

This announcement must be read in conjunction with the Invitation Memorandum. No offer or invitation to acquire or sell any securities is being made pursuant to this announcement. The Dealer Manager does not take responsibility for the contents of this announcement.

Neither the Invitations nor the New Securities or the Exchange Fee Bonds have been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any other jurisdiction. Unless they are registered under the Securities Act, the New Securities and the Exchange Fee Bonds may be offered only in transactions that are exempt from registration under the Securities Act. Accordingly, the Invitations to Exchange were directed only to Holders of Existing Bonds that are: (i) "qualified institutional buyers" as defined in Rule 144A under the Securities Act ("QIBs"), or (ii) non-U.S. persons outside the United States who (y) if located within

a member state of the EEA or the UK, is a "qualified investor" as defined in Regulation (EU) No 2017/1129, as amended or Regulation (EU) No 2017/1129 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018, respectively, or a duly designated proxy thereof, and (z) if outside the EEA and the UK, eligible to receive the Invitation under the laws of its jurisdiction in reliance on Regulation S under the Securities Act (each, an "Eligible Holder").

European Economic Area

The New Securities and the Exchange Fee Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the New Securities or the Exchange Fee Bonds or otherwise making them available to retail investors in a Member State has been prepared and therefore offering or selling the New Securities or the Exchange Fee Bonds or otherwise making them available to any retail investor in a Member State may be unlawful under the PRIIPs Regulation.

United Kingdom

This announcement is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "**Financial Promotion Order**"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any New Securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**Relevant Persons**"). This announcement is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which the Invitation Memorandum relates is permitted only by Relevant Persons and will be engaged in only with Relevant Persons.

The New Securities and the Exchange Fee Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of the UK Prospectus Regulation; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of the UK Prospectus Regulation; or (iii) not a qualified investor as defined in the UK Prospectus Regulation. Consequently no key information document required by document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the New Securities or the Exchange Fee Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the New Securities or the Exchange Fee Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Italy

None of the Invitation Memorandum or any other document or materials relating to the Invitation (including this announcement) have been or will be submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian laws and regulations.

The Invitation is being carried out in the Republic of Italy ("**Italy**") as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and article 35-bis, paragraph 3 of CONSOB Regulation No. 11971 of 14 May 1999, as amended. Accordingly, Holders of the Existing Bonds that are located in Italy can tender Existing Bonds for exchange pursuant to the Invitations through authorised persons (such as investment firms, banks or

financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended from time to time) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB, Bank of Italy or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Existing Bonds or the Invitation.