

05th March 2025

Our Ref: MBSL/HO/CSSD/2025/018

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

Dear Sir,

MERCHANT BANK OF SRI LANKA & FINANCE PLC (MBSL)
THE UNSECURED SUBORDINATED LOAN OF LKR 475 MILLION TO INCREASE
THE TIER II CAPITAL OF MBSL

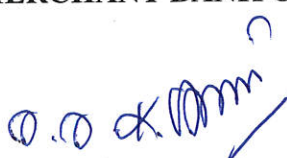
In terms of section 8 of the Listing Rules of the Colombo Stock Exchange, we write to inform that the MBSL obtained LKR 475 million unsecured subordinated loan with a tenor of 5 years to increase the Tier II capital of MBSL.

This debt instrument executed through a trust receipt structure which is an unlisted and unrated loan, obtained to improve the regulatory capital requirement of the company.

The proceeds of the issue will be utilized fully for the lending purpose of MBSL.

Yours Faithfully,

MERCHANT BANK OF SRI LANKA & FINANCE PLC


Theranjani Attanayake
Company Secretary