Mercantile Investments and Finance PLC
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Head Office: 236, Galle Road, Colombo 3, Sri Lanka. P.O. Box 195, Colombo. Tel : 2343720-7 Fax : 2434524
Web : www.mi.com.lk E-mail : mercantile@mi.com.lk Reg. No. PB 76 PQ

23rd September 2025

Ms. Nilupa Perera
Chief Regulatory Officer
Colombo Stock Exchange
04-01, West Tower
World Trade Centre
Colombo 1

Dear Madam,

MERCANTILE INVESTMENTS AND FINANCE PLC
ANNOUNCEMENT OF PROPOSED SUB-DIVISION OF ORDINARY SHARES

We write to inform you that the Board of Directors of Mercantile Investments and Finance PLC ("the Company") resolved on 22nd September 2025 to recommend to the shareholders that the number of shares in issue be increased by way of a subdivision of the Company's ordinary shares, as follows:

i. **The number of shares to be sub-divided** – 3,006,000 Ordinary Shares
ii. **The Proportion of the sub-division** – One (1) Ordinary Share to be subdivided to two hundred (200) Ordinary shares
iii. **The number of Ordinary Shares after the sub-division** – 601,200,000 Ordinary Shares
iv **The Stated Capital of the Company** – The sub-division of shares will not result in any change to the stated capital of the Company

Article 8(1)(i) of the Articles of Association of the Company as quoted below, permits the company to split (i.e. sub divide) all or all shares of any particular class of shares in issue in such proportions as it may seem fit, in a manner which would leave the relative voting and distribution rights of all shareholders substantially unaffected

Article 8

(1) The Company may by Ordinary Resolution and subject to the provisions of the Act,

(i) *consolidate or split (i.e. sub divide) all or all shares of any particular class of shares in issue in such proportions as it may seem fit, in a manner which would leave the relative voting and distribution rights of all shareholders substantially unaffected.*

The proposed subdivision will not result in any change of the stated capital of the Company.

The increase of shares by way of a sub-division is subject to shareholders' approval at a General Meeting.

We will submit the requisite documentation for the concurrence of the Colombo Stock Exchange within the next 7 market days, following which the shareholders' approval will be obtained for the proposed sub-division of shares at a General Meeting convened in due course.

Thanking you,

Yours faithfully,
MERCANTILE INVESTMENTS AND FINANCE PLC

S PETHIYAGODA
COMPANY SECRETARY