

14th August 2020

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

Dear Sir,

Extension of Timelines for Publication of Interim Financial Statements for Quarter ending 30th June 2020 - Merchant Bank of Sri Lanka & Finance PLC

With reference to the Circular No. 10/2020 issued by the Colombo Stock Exchange on 13th August 2020, we wish to make following disclosures regarding the publication of Interim Financial Statements for the quarter ending 30th June 2020.

The Company will be utilizing the extension of timeline for the publication of Interim Financial Statements as at 30th June 2020 as per the above CSE Circular. Accordingly, the Company will publish the Statements on or before 15th September 2020.

1. Future outlook relating to operation

The business operations of the Company expected to perform at a slower pace during the financial year 2020 due to slowdown of local economy resulted from the negative impact of COVID-19 outbreak. However, being an NBFIs with a strong parental support of Bank of Ceylon (BOC), the Company will take all possible actions to minimize the risk exposures in credit, liquidity and operations to sustain business and to expand operations whilst managing possible costs to minimize adverse impact on our profitability.

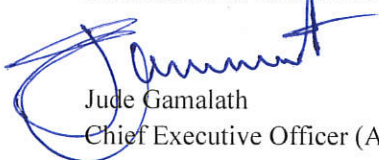
2. Message to investors who wish to trade in the absence of Financial Statements

Volatile business environment encountered due to the outbreak of Covid-19 pandemic in the country the performance of the quarter ended 30 June 2020 has affected adversely which may affect the financial performance of the company in the financial year ending 31st December 2020. However, we assure our investors that all measures will be taken by the Company to minimize the impact of this crisis on the bottom line and ensure long term viability intact.

Further, we inform the Directors, Key Management Personnel and other related parties who have access to unpublished sensitive and confidential information, to refrain from trading during the period, delayed.

Yours faithfully,

MERCHANT BANK OF SRI LANKA & FINANCE PLC



Jude Gamalath
Chief Executive Officer (Actg.)

