

Company No: GL 12

04-01, West Block
World Trade Center, Echelon Square
Colombo 00100, Sri Lanka.

info@cse.lk

24th March 2023

**To: Chief Executive Officers
Member Firms / Trading Members**

CIRCULAR No: 04-03-2023

Dear Sir/Madam,

MERCHANT BANK OF SRI LANKA & FINANCE PLC ("THE COMPANY") – DEBENTURE ISSUE 2023

The Colombo Stock Exchange ("CSE") has approved in principle an Application for listing the debt securities of the above Company.

Details of the above issue are as follows;

DEBT SECURITIES TO BE OFFERED

An initial Issue of Five Million (5,000,000) Unsecured, Subordinated, Redeemable Debentures of LKR 100/- each with an option to Issue up to a further Five Million (5,000,000) Debentures in the event of an over subscription of the initial Five Million (5,000,000) Debentures amounting to a maximum sum of Rupees One Billion (LKR 1.0 Billion).

Type A debentures	A fixed coupon rate of 29.50% p.a. (before any tax) payable annually
Type B debentures	A fixed coupon rate of 28.00% p.a. (before any tax) payable bi-annually (AER of 29.96%)
Type C debentures	A floating rate of 364 days weighted average treasury bill rate plus Three hundred and Seven Five basis points subject to a cap of 33.0% p.a. (before any tax), payable quarterly
Type D debentures	Compound Interest Debentures, redeemable at LKR 300 each, bearing an interest rate of 24.5731% p.a. (before any tax).

DATE OF OPENING OF THE SUBSCRIPTION LIST

29th March 2023

A member of



Voice: +94 11 2356456

Fax: Clearing & Settlement: +94 11 2440396
Finance & Administration: +94 11 2448921
Trading & Market Surveillance: +94 11 2448925
Market Development: +94 11 2445279
Listings & Corporate Affairs: +94 11 2391128
Legal: +94 11 2440539
Human Resources: +94 11 2440163
Research & New Products: +94 11 2445279
Broker Supervision: +94 11 2440541
Enterprise Risk Management: +94 11 2448363

MANAGERS & REGISTRARS TO THE ISSUE

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JOINT MANAGERS TO THE ISSUE

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Colombo 01

Tel: +94 11 2448348
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The date on which the softcopies of the Prospectus be made available to Member Firms/Trading Members would be on **24th March 2023**.

Yours faithfully,



Vinduni Dullewe (Mrs.)
Vice President - Listing