



Corporate Services (Private) Limited

An affiliate of F. J. & G. de Saram

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18th February, 2021

Colombo Stock Exchange,
Level 4-I West Tower,
World Trade Centre,
Echelon Square,
Colombo 1.

Attn: Mr. Renuke Wijavawardhane
Chief Regulatory Officer

Dear Sir,

DISCLOSURE ON THE TRANSFER OF SECURITIES TO THE SECOND BOARD

We write for and on behalf of our client, People's Merchant Finance PLC (the "Company"), to inform you that in terms of rule 7.13.2 (f) of the Listing Rules of the Colombo Stock Exchange ("CSE"), that shares of the Company has been transferred to the Second Board of the CSE with effect from 12th February 2021 due to the non-compliance with Minimum Public Holding requirement stipulated in Rule 7.13.1(b) of the Listing Rules of the CSE.

The Company is in the process of evaluating the options available to comply with the Minimum Public Holding requirement. The steps required to be adopted by the Company in order to comply with the Minimum Public Holding requirement will be finalized, upon the conclusion of the proposed Rights Issue depending on the level of public subscription.

Yours faithfully,

Chief Executive Officer
CORPORATE SERVICES (PRIVATE) LIMITED
Secretaries
PEOPLE'S MERCHANT FINANCE PLC

RSK/CS