

APPENDIX 7C

Colombo Stock Exchange
04-01, West Block
World Trade Center
Echelon Square
Colombo 01

ANNOUNCEMENT TO THE EXCHANGE

Pursuant to the resignation of Directors, Mr. Jehan Prasanna Amaratunga, Mr. Mohamed Anise Mohamed Rizwan, Mr. Johnson Anthony Fernando, Dr. Kennedy Degaulle Gunawardana and Mr. Namugoda Wijesinghe Atapattu Mudiyansele Udawatte Keerthi Kumara Edward Weerasinghe from the Board of People's Leasing & Finance PLC (the Company), and the appointment of new Directors Mr. Bonniface Silva, Mr. Ranjith Kodituwakku and Mr. Azzam A. Ahamat to the Board of the Company as announced to the Colombo Stock Exchange on 30th December 2019, the total number of Directors comprising the Board of Directors of the Company reduced to six (06).

People's Leasing & Finance PLC hereby declares that the aforementioned changes to the directorate of the Company, impending further appointments to the Board of Directors has temporarily resulted in non-compliance by the Company with the Corporate Governance Requirements set out in Rule 7.10 of the CSE Listing Rules to the extent disclosed below.

	Details of non-compliance	Minimum number of directors as per Listing Rule	Current status (number of directors)
1	Composition of Independent Directors in the Board	2	1
2	Composition of the Remuneration Committee	Non – Executive and majority of whom shall be independent	Remuneration Committee to be appointed.
3	a.) Composition of the Audit Committee	Non – Executive and majority of whom shall be independent	Audit Committee to be appointed.
	b.) Chairman or one member of the Audit Committee is a member of a recognized professional accounting body	01	Audit Committee to be appointed.

Declaration

People's Leasing & Finance PLC hereby declares that the entity has failed to comply with the Corporate Governance Requirements as set out in Rule 7.10 of the CSE Listing Rules to the extent disclosed above.

However, People's Bank as the major shareholder has requested us to seek a reasonable time extension from the Central Bank of Sri Lanka until, and no later than, February 15 - 2020 in order to constitute the Board of People's Leasing & Finance PLC to ensure the Corporate Governance Requirements, as set out in Section 4 of the Finance Companies (Corporate Governance) Direction No. 3 of 2008 and those in Rule 7.10 of the CSE Listing Rules, are complied with. Every reasonable effort is being made by People's Bank to ensure People's Leasing & Finance PLC fully complies with the said requirements in a time and manner soonest possible.

Signed for and on behalf of People's Leasing & Finance PLC



A.S.Ibrahim

CEO/GENERAL MANAGER

Date: 03rd February 2020