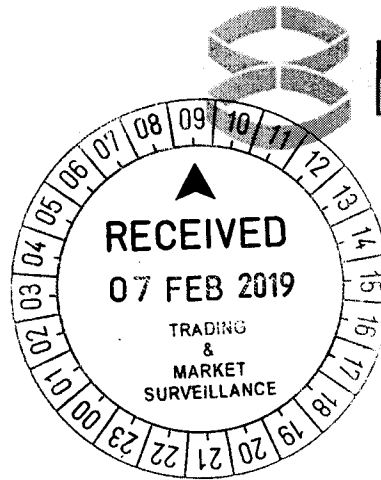


6th February 2019

Our Ref No: PMF / 2019 / E / 18

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



ANNOUNCEMENT TO THE EXCHANGE

Number of Directors comprising the Board of Directors of the Listed Entity: 9

	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	3	2
2	Composition of Non-Executive Directors in the Board	2 or 1/3 of total	9
3	Composition of the Remuneration Committee	Non – Executive and majority of whom shall be independent	1 independent + 2 non independent (All non-Executive)
4	a.) Composition of the Audit Committee	Non – Executive and majority of whom shall be independent	1 independent + 3 non independent (All non-Executive)

Declaration

People’s Merchant Finance PLC hereby declares that the Entity has failed to comply with the Corporate Governance Requirements set out in Rule 7.10 of the CSE Listing Rules to the extent disclosed above.

Pursuant to a direction issued by the Central Bank (CB), the Company is in the process of finalizing a CB approved strategic investment to infuse capital to the company. In order to comply with the Corporate Governance Requirements set out in Rule 7.10 of the CSE Listing Rules, the Board of Directors is taking steps to constitute the Board with the required number of independent directors and to comply with the above disclosed non compliances at such re- constitution.

Signed for and on behalf of People’s Merchant Finance PLC


Lakmini Kottegoda
Company Secretary

DG
PLS circulate.
row
7/2