

Table 2: Revised Threshold Requirements - Diri Savi Board of the CSE

OPTION	MINIMUM THRESHOLDS FOR COMPLIANCE		
	Float-adjusted Market Capitalization	Public Holding Percentage	Number of Public Shareholders
1	Rs. 1 bn	7.5%	200
2	-	10%	200

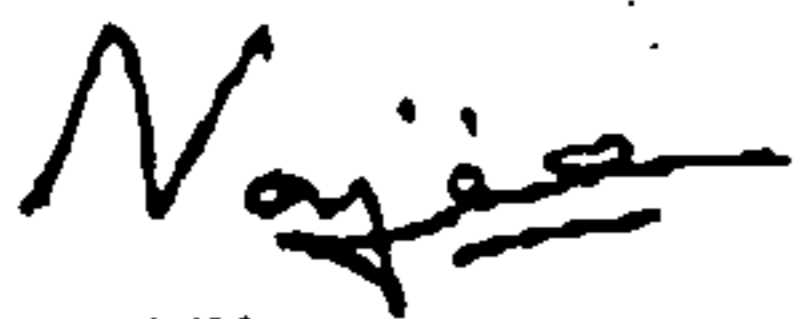
** Note. For the purposes of the Rules on Minimum Public Holding as a Continuing Listing Requirement, Float-adjusted Market Capitalization is calculated by multiplying the Public Holding Percentage of a Company by the Market Capitalization of that Company.*

Therefore all Listed Public Companies are hereby directed to comply with any one of the above requirements as appropriate on a continuing basis with effect from 1st January 2017.

Listed Public Companies failing to fully comply with any one of the above requirements as appropriate on or before 31st December 2016 are hereby granted a grace period of six months extending up to 30th June 2017 to comply with any one of the revised thresholds appearing above.

The Colombo Stock Exchange is hereby directed to:

- 1) implement the above Policy with effect from 1st January 2017;
- 2) incorporate the aforesaid Policy into the Listing Rules of the CSE both as an Initial and a Continuing Listing Requirement;
- 3) provide in the Listing Rules the measures to be taken in respect of Companies who fail to comply with the revised Rules by 30th June 2017: including therein,
 - a. the demotion of such Companies to a Secondary Board, from the Main Board or the Diri Savi Board as the case may be, and
 - b. enforcement action thereafter;
- 4) inform all Listed Public Companies of this Directive;
- 5) monitor compliance by Listed Public Companies with the aforesaid revised thresholds by subjecting the Float-adjusted Market Capitalization, Public Holding Percentage and Number of Shareholders of each Listed Public Company to scrutiny in a timely manner; and to
- 6) inform the SEC of any Listed Public Company which fails to comply with any one of the revised thresholds specified above.



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