27th April 2022

Mr. Renuke Wijewardhane
Chief Regulatory Officer
Colombo Stock exchange
No. 04-01, West Block,
World Trade Centre, Echelon Square,
Colombo 001

Dear Sir,

PRIME LANDS RESIDENCIES PLC ("THE COMPANY")
ANNOUNCEMENT

We are instructed by the Company to inform you that the Board of Directors of the Company has resolved today to submit the annexed Announcement to the Colombo Stock Exchange in response to various baseless allegations against the Company's stability and business sustainability being circulated in the social media platforms currently with the malicious intent of discrediting and damaging the reputation of the Company.

We are further instructed that by this Announcement the Company wishes to assure the CSE, the investor community and the general public that there is no truth or substance in such malicious accusations and allegations.

This Announcement is made in terms of the CSE Listing Rules.

Thank you,

Yours faithfully,

For and on behalf of
PRIME LANDS RESIDENCIES PLC

Ms. Ishani Aluwihare
Pele Consulting (Pvt) Ltd.
As Company Secretaries

Encl:

PRIME LANDS RESIDENCIES PLC – PQ 00234680

ANNOUNCEMENT TO THE COLOMBO STOCK EXCHANGE
DATED 27TH APRIL 2022

On or about 25th April 2022, the Company was alerted to a false and malicious post that was said to be circulated by a person or persons on the Internet using applications such as WhatsApp and other social media platforms, the content of which was deliberately intended and directed to discredit and/or destroy the business reputation and credibility of the Company.

As you are aware, such false, malicious and derogatory post that has been published by such person(s), and circulated by groups of recipients without understanding the criminal nature of their actions, has the capacity to cause serious and unquantifiable damages to the Company as well as tarnish its hitherto unblemished reputation as a good corporate citizen with undisputed credibility and business reputation of over 26 years in the eyes of the public at large and in particular, its existing and potential customers and all stakeholders including bankers, investors and business associates. It is abundantly clear that this is the intention of the person who initiated this false, malicious and defamatory post for reasons best known to the person.

With regard to the various false allegations about the Company's financial stability and integrity of financial and corporate information published to the CSE and the public, we the Board of Directors categorically and unequivocally deny, refute and declare that all such allegations are absolutely false and diabolical lies. We further state:

1. As we have already disclosed to the public today, Prime Lands Residencies PLC (together with its Parent Company Prime Lands (Private) Limited) has received a further strengthen issuer rating of [SL] A (Stable) making Prime Group the largest real estate company in Sri Lanka to receive this rating from ICRA Lanka Ltd., a subsidiary of Moody's Investor Services. In short, the rating of the Company has been upgraded by the independent Rating Agency from a previous [SL] A- (Stable) to [SL] A (stable), giving further credence to the Company's financial stability and creditworthiness. Many other awards received in the recent past from other reputed bodies, such as Brand Finance, PropertyGuru, etc. all bear witness to the Company's impeccable reputation as an established Corporate in the real estate industry.

2. All our Financial Statements are prepared and published in terms of the Accounting and Auditing Standards in force in the country and the year-end Financials are audited by a reputed international Audit Firm namely, BDO Partners. In addition, prior to the Financials (both year-end and interim results) are published, they are subjected to a stringent and detailed process of review

by the Board Audit Sub-Committee chaired by an eminent Charted Accountant and Senior Partner of a reputed Audit Firm. The independent and professional review process employed by the Company does not permit any risk of fraud or malpractices as stated by the allegations.

Finally, we, the Board of Directors consider this as a serious criminal act of a malicious person(s) and have decided to take immediate action against such person(s) in the strongest possible terms to restore the reputation of the Company, its Board of Directors and employees. Accordingly, the Board has resolved to engage a team of eminent Legal Counsel to take immediate steps by way of civil and/or criminal legal actions against any and all persons who are responsible for creating such false, malicious and defamatory content and/or directly and indirectly engaged in circulating, disseminating and spreading such content: (1) to prevent and to cease any further dissemination of such false and malicious statements against the Company; (2) to take action to demand, claim and recover compensation for the damages caused to the Company's business reputation and credible standing in the community by the said false and malicious content circulated.

We have also noted today that the purported perpetrator of this malicious act has posted again on the social media an apology to the general public for the 'miscommunication' that was on his part. Notwithstanding this post, the Company will proceed to take the aforesaid civil and/or criminal legal action against him to vindicate the Company's undisputed reputation and credibility and as a warning to any other mischief makers who think it is acceptable to maliciously discredit and malign the reputation and credibility of good corporate citizens in the country.

Please be assured that we will make every endvour to restore the reputation and credibility of the Company. We thank our customers, investors and all stakeholders for placing your confidence in us and standing with us at this time.

By Order

The Board of Directors
Prime Lands Residencies PLC

27th April 2022.