

04th June 2024

CIRCULAR TO SHAREHOLDERS – EXTRAORDINARY GENERAL MEETING

Dear Shareholders,

Amendment to the Articles of Association

The Colombo Stock Exchange (“**CSE**”) has revised the Rules on Corporate Governance, with the latest amendment being issued on 15th May 2024.

In terms of Listing Rule 9.8.1, the Board of a Listed Entity should at a minimum consist of five (05) Directors. Article 76 of Articles of Association (“**AOA**”) of Galadari Hotels (Lanka) PLC (“**the Company**”) requires only a minimum of three (03) Directors on the Board. Therefore, the Board intends to amend the Article 76 to comply with the requirements of revised Corporate Governance Rules on the minimum number of Directors.

Further, Rule 9.9 of the Listing Rules requires that if a Listed Entity provides for the appointment of an Alternate Director in its AOA, such Entity is required to incorporate the provisions of Rule 9.9 to its AOA.

Since Article 106 of the AOA of the Company provides for the appointment of an Alternate Director, the Board intends to amend the Article 106 to incorporate the new requirements under Listing Rule 9.9.

Accordingly, the Board of Directors have decided to convene an Extraordinary General Meeting (EGM) of the Company on Thursday, 27th June 2024 immediately after the Annual General Meeting (AGM) scheduled at 3.30 pm (IST) as a **Virtual Meeting** emanating from the “Board Room” of Galadari Hotels (Lanka) PLC, No. 64, Lotus Road, Colombo 01, to consider and if deemed fit to pass the following Special Resolution in this regard.

“IT IS HEREBY RESOLVED THAT the amendments to the Company’s Memorandum and Articles of Association, set out below, which have been approved by the Board of Directors, be and is hereby Approved:

Article 76 of the Articles of Association to be deleted in its entirety and be substituted by the following:

“76. The Board of Directors of the Company shall consist of a minimum of five (05) Directors or such minimum number of Directors as may be prescribed by the Listing Rules of the Colombo Stock Exchange from time to time, and maximum of ten (10) Directors.”

Article 106 of the Articles of Association to be deleted in its entirety and be substituted by the following:

"106

- (i) An Alternate Director shall only be appointed in exceptional circumstances and for a maximum period of one (01) year from the date of appointment.*
- (ii) Subject to the provisions of Article 106, a Director may, by notice in writing under his/her hand left at the registered office or sent via email or other online communication, appoint any person approved by the Board of Directors, to be an Alternate Director of the Company to act in his place during his absence.*
- (iii) If an Alternate Director is appointed for a non-executive director, such Alternate shall not be an executive of the Company.*
- (iv) If an Alternate Director is appointed by an independent director, the person so appointed must meet the criteria of independence specified in the Listing Rules of the Colombo Stock Exchange, and the Nominations and Governance Committee of the Company shall review and determine the same. Such an appointment must also satisfy the requirements relating to the minimum number of Independent Directors for listed entities as specified in the Listing Rules.*
- (v) The Company shall make an immediate market announcement regarding the appointment of an Alternate Director. Such market announcement shall include the following details:
 - (a) The exceptional circumstances leading to such appointment;*
 - (b) The capacity in which the Alternate Director is appointed, i.e., whether as an executive, non-executive, or independent director;*
 - (c) The time period for which the Alternate Director is appointed, which shall not exceed one (01) year from the date of appointment; and,*
 - (d) A statement by the Company indicating whether such appointment has been reviewed by the Nominations and Governance Committee of the Company.**
- (vi) The attendance of any Alternate Director at any meeting, including a Board committee meeting, shall be counted for the purpose of quorum.*
- (vii) A person appointed to be an Alternate Director shall not in respect of such appointment be entitled to receive any remuneration from the Company nor be required to hold any share qualification but the Board may repay the Alternate Director such reasonable expenses as he may incur in attending and returning from meetings of the Board which he is entitled to attend or as he may otherwise properly incur in or about the business of the Company or may pay such allowances as they may think proper in respect of these expenses.*

- (viii) An Alternate Director shall (on his giving an address for such notices to be served upon him) be entitled to receive notices of all meetings of the Board and to attend and vote as director at any such meeting at which the director appointing him is not personally present and generally to perform all the functions of his appointor as a director in the absence of such appointor.*
- (ix) An Alternate Director appointed in terms of the provisions of this Articles shall ipso facto cease to be an Alternate Director if:*
- (a) his appointor ceases for any reason to be a director; provided that if any director retires by rotation but is re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired;*
 - (b) the Alternate Director shall have a receiving order made against him or compounds with his creditors is adjudicated un insolvent*
 - (c) the Alternate Director be lunatic or become of unsound mind;*
 - (d) the appointment of the Alternate Director is revoked by his appointor by a notice in writing left at the office;*
 - (e) the Board resolves that the appointment of the Alternate Director be terminated; provided that such termination shall not take effect until the expiration of thirty days after the date of the resolution of the Board.*
- (x) A director shall not vote on the question of the approval of an Alternate Director to act for or on the question of the termination of the appointment of such an Alternate Director under sub-paragraph (e) of the last foregoing sub-clause of this Article, and if he does so his vote shall not be counted; nor for the purpose of any resolution for either of these purposes shall he be counted in the quorum present the meeting “*

Enclosed herewith is the Notice convening the EGM of the Company setting out the said Special Resolution to give effect to the above.

Virtual Meeting

All the shareholders are welcome to participate via online at the virtual meeting. You are kindly requested to complete and return the Registration Form to reach the Registered Office of the Company, No. 48, Rosmead Place, Colombo 07 or forwarded by email to agm@galadari.lk and/or cccs@tiruchelvam.com in order to enable the Company to receive the same not less than forty eight (48) hours prior to the time appointed for the holding of the EGM.

The two local Board Directors, Key Management Personnel, Company Secretaries and Registrars to the Company will assemble at the Board Room of the Company for the purpose of hosting the Meeting. The Foreign Directors will be participating via video conferencing.

The Form of Proxy and the Registration Form are available on www.galadarihotel.lk

The login information will be only for the use by individual shareholders, proxy holders and representatives in case of institutional shareholders the Company will not be responsible or liable for misuse. Where the proxy holders are concerned, please note that the login information will only be shared with those in whose favour a valid proxy has been submitted by the shareholder.

Shareholders who are unable to participate at the meeting in person are encouraged to appoint an Independent Director as their proxy, having marked their preferences in respect of the said Special Resolution. Shareholders can send in their queries, if any, to Sulakshana Fernando on agm@galadari.lk and 011 2544544 Ext. 251 or Umashi Chamodya on cccs@tiruchelvam.com and 011 2690037 not less than three (03) days before the date of the Meeting, in order to enable the Company Secretaries sufficient time to compile and forward same for the attention of the Board of Directors so that the same could be addressed at the meeting.

BY ORDER OF THE BOARD,



CENTRAL CORPORATE AND CONSULTANCY SERVICES (PRIVATE) LIMITED

**Company Secretaries to;
GALADARI HOTELS (LANKA) PLC**

EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY GENERAL MEETING OF GALADARI HOTELS (LANKA) PLC WILL BE HELD AS A VIRTUAL MEETING EMANATING FROM THE "BOARD ROOM" OF GALADARI HOTELS (LANKA) PLC, NO. 64, LOTUS ROAD, COLOMBO 01, ON THURSDAY, 27TH JUNE 2024 IMMEDIATELY FOLLOWING THE ANNUAL GENERAL MEETING AT 3.30PM (IST), TO CONSIDER AND IF DEEMED FIT TO PASS THE FOLLOWING:

SPECIAL RESOLUTION:

Amendment to the Articles of Association

"IT IS HEREBY RESOLVED THAT the amendments to the Company's Memorandum and Articles of Association, set out below, which have been approved by the Board of Directors, be and is hereby Approved:

Article 76 of the Articles of Association to be deleted in its entirety and be substituted by the following:

"76. The Board of Directors of the Company shall consist of a minimum of five (05) Directors or such minimum number of Directors as may be prescribed by the Listing Rules of the Colombo Stock Exchange from time to time, and maximum of ten (10) Directors."

Article 106 of the Articles of Association to be deleted in its entirety and be substituted by the following:

"106

- (i) An Alternate Director shall only be appointed in exceptional circumstances and for a maximum period of one (01) year from the date of appointment.*
- (ii) Subject to the provisions of Article 106, a Director may, by notice in writing under his/her hand left at the registered office or sent via email or other online communication, appoint any person approved by the Board of Directors, to be an Alternate Director of the Company to act in his place during his absence.*
- (iii) If an Alternate Director is appointed for a non-executive director, such Alternate shall not be an executive of the Company.*
- (iv) If an Alternate Director is appointed by an independent director, the person so appointed must meet the criteria of independence specified in the Listing Rules of the Colombo Stock Exchange, and the Nominations and Governance Committee of the Company shall review and determine the same. Such an appointment must also satisfy the requirements relating to the minimum number of Independent Directors for listed entities as specified in the Listing Rules.*

- (v) *The Company shall make an immediate market announcement regarding the appointment of an Alternate Director. Such market announcement shall include the following details:*
- (a) *The exceptional circumstances leading to such appointment;*
 - (b) *The capacity in which the Alternate Director is appointed, i.e., whether as an executive, non-executive, or independent director;*
 - (c) *The time period for which the Alternate Director is appointed, which shall not exceed one (01) year from the date of appointment; and,*
 - (d) *A statement by the Company indicating whether such appointment has been reviewed by the Nominations and Governance Committee of the Company.*
- (vi) *The attendance of any Alternate Director at any meeting, including a Board committee meeting, shall be counted for the purpose of quorum.*
- (vii) *A person appointed to be an Alternate Director shall not in respect of such appointment be entitled to receive any remuneration from the Company nor be required to hold any share qualification but the Board may repay the Alternate Director such reasonable expenses as he may incur in attending and returning from meetings of the Board which he is entitled to attend or as he may otherwise properly incur in or about the business of the Company or may pay such allowances as they may think proper in respect of these expenses.*
- (viii) *An Alternate Director shall (on his giving an address for such notices to be served upon him) be entitled to receive notices of all meetings of the Board and to attend and vote as director at any such meeting at which the director appointing him is not personally present and generally to perform all the functions of his appointor as a director in the absence of such appointor.*
- (ix) *An Alternate Director appointed in terms of the provisions of this Articles shall ipso facto cease to be an Alternate Director if:*
- (a) *his appointor ceases for any reason to be a director; provided that if any director retires by rotation but is re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired;*
 - (b) *the Alternate Director shall have a receiving order made against him or compounds with his creditors is adjudicated un solvent*
 - (c) *the Alternate Director be lunatic or become of unsound mind;*
 - (d) *the appointment of the Alternate Director is revoked by his appointor by a notice in writing left at the office;*

(e) the Board resolves that the appointment of the Alternate Director be terminated; provided that such termination shall not take effect until the expiration of thirty days after the date of the resolution of the Board.

(x) A director shall not vote on the question of the approval of an Alternate Director to act for or on the question of the termination of the appointment of such an Alternate Director under sub-paragraph (e) of the last foregoing sub-clause of this Article, and if he does so his vote shall not be counted; nor for the purpose of any resolution for either of these purposes shall he be counted in the quorum present the meeting “

For the avoidance of doubt, the remaining Clauses and sub-clauses of the Memorandum of Association and Articles and sub-articles of the Articles of Association, as the case may be, shall remain unchanged

BY ORDER OF THE BOARD



CENTRAL CORPORATE AND CONSULTANCY SERVICES (PRIVATE) LIMITED

**Company Secretaries to:
GALADARI HOTELS (LANKA) PLC**

04th June 2024

Notes:

- A shareholder is entitled to appoint a Proxy to attend and vote instead of him/herself and a Proxy need not be a shareholder of the Company. The Form of Proxy can be found on the Company's website (www.galadarihotel.lk)
- Shareholders are encouraged to vote by Proxy through the appointment of a member of the Board of Directors to vote on their behalf and to include their voting preferences on the resolutions to be taken up at the Meeting in the Form of Proxy.
- The duly completed forms of proxy should be posted or delivered to the Registered Office of the Company at No. 48, Rosmead Place, Colombo 07 or forwarded by email to agm@galadari.lk and/or cccs@tiruchelvam.com in order to enable the Company to receive the same not less than forty-eight (48) hours prior to the time appointed for the holding of the EGM.
- In the event an individual Shareholder and his/her proxy holder are both present at the Meeting, only the Shareholder's vote is counted.

**GALADARI HOTELS (LANKA) PLC
FORM OF PROXY**

I/We* the undersigned of
being a shareholder/shareholders* of Galadari Hotels (Lanka) PLC do hereby
 appoint.....
of.....
 whom
 failing

- MR. MOHAMMED ABDULLATIF IBRAHIM GALADARI (whom failing)
- MR. SUHAIL ABDULLATIF IBRAHIM HASSAN GALADARI (whom failing)
- MR IBRAHIM ABDULLATIF IBRAHIM GALADARI (whom failing)
- MR. LALITH RUKMAN DE SILVA (whom failing)
- DR. JOHN ANTHONY SHIVAJI FELIX PC (whom failing)
- MR. VENKATRAMANAN RADHAKRISHNAN

as my/our* proxy to represent me/us*,(**) and vote on my/our* behalf at the
 Extraordinary General Meeting of the Company to be held on Thursday, 27th June 2024 and at any
 adjournment thereof, and at every poll which may be taken in consequence thereof.

I/We*, the undersigned, hereby direct my/our* proxy to vote for me/us* and on my/our* behalf on
 the specified Resolution as indicated by the letter "X" in the appropriate cage:

SPECIAL RESOLUTION:

"IT IS HEREBY RESOLVED THAT the amendments to the Company's Memorandum
 Articles of Association, set out below, which have been approved by the Board of Directors,
 be and is hereby
 approved.

| | |
|--------------------------|--------------------------|
| FOR | AGAINST |
| <input type="checkbox"/> | <input type="checkbox"/> |

Article 76 of the Articles of Association to be deleted in its entirety and be substituted by
 the following:

*"76. The Board of Directors of the Company shall consist of a minimum of five (05) Directors
 or such minimum number of Directors as may be prescribed by the Listing Rules of the
 Colombo Stock Exchange from time to time, and maximum of ten (10) Directors."*

Article 106 of the Articles of Association to be deleted in its entirety and be substituted by
 the following:

- '106 (i) An Alternate Director shall only be appointed in exceptional circumstances and for a
 maximum period of one (01) year from the date of appointment*
- (ii) Subject to the provisions of Article 106, a Director may, by notice in writing under
 his/her hand left at the registered office or sent via email or other online
 communication, appoint any person approved by the Board of Directors, to be an
 Alternate Director of the Company to act in his place during his absence.*
- (iii) If an Alternate Director is appointed for a non-executive director, such Alternate
 shall not be an executive of the Company.*

- (iv) *If an Alternate Director is appointed by an independent director, the person so appointed must meet the criteria of independence specified in the Listing Rules of the Colombo Stock Exchange, and the Nominations and Governance Committee of the Company shall review and determine the same. Such an appointment must also satisfy the requirements relating to the minimum number of Independent Directors for listed entities as specified in the Listing Rules.*
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- (ix) *An Alternate Director appointed in terms of the provisions of this Articles shall ipso facto cease to be an Alternate Director if:*
- (a) his appointor ceases for any reason to be a director; provided that if any director retires by rotation but is re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired;*
 - (b) the Alternate Director shall have a receiving order made against him or compounds with his creditors is adjudicated un insolvent*
 - (c) the Alternate Director be lunatic or become of unsound mind;*
 - (d) the appointment of the Alternate Director is revoked by his appointor by a notice in writing left at the office;*

(e) the Board resolves that the appointment of the Alternate Director be terminated; provided that such termination shall not take effect until the expiration of thirty days after the date of the resolution of the Board.

(x) A director shall not vote on the question of the approval of an Alternate Director to act for or on the question of the termination of the appointment of such an Alternate Director under sub-paragraph (e) of the last foregoing sub-clause of this Article, and if he does so his vote shall not be counted; nor for the purpose of any resolution for either of these purposes shall he be counted in the quorum present the meeting “

Signed on thisday ofTwo Thousand and Twenty Four.

.....
Signature of Shareholder

***Please delete as appropriate.**

Notes:

If you wish your Proxy to speak at the Meeting you should insert the words “to speak” in the place indicated with two asterisks (**) and initial such insertion.

Please indicate with an "X" in the space provided how your Proxy is to vote. If there is, in the view of the Proxy holder doubt (by reason of the way in which the instructions contained in the Proxy have been completed) as to the way in which the Proxy holder should vote, the Proxy holder shall vote as he/she thinks fit.

A Proxy holder need not be a shareholder of the Company

As mentioned in the Circular to the Shareholders dated 04th June 2024 the Extraordinary General Meeting (EGM) will be held as a virtual meeting. Instructions given in the Circular to Shareholder must be followed to join the meeting virtually.

INSTRUCTION AS TO COMPLETION

1. The duly completed form of proxy should be posted or delivered to the Registered Office of the Company at No. 48, Rosmead Place, Colombo 07 or forwarded by email to agm@galadari.lk and/or cccs@tiruchelvam.com in order to enable the Company to receive the same not less than forty-eight (48) hours prior to the time appointed for the holding of the EGM.
2. The full name and address of the Proxy holder and of the Shareholder appointing the Proxy holder should be entered legibly in the Form of Proxy.
3. If you wish to appoint a person other than the Chairman (or failing him, one of the Directors) as your Proxy, please insert the relevant details overleaf and initial against this entry.
4. In the case of a Company/Corporation, the Proxy must be under its Common Seal (if applicable), which should be affixed and attested in the manner prescribed by its Articles of Association.
5. If the Proxy Form is signed by an Attorney, the relevant Power of Attorney or a notarially certified copy thereof, should also accompany the completed Form of Proxy if it had not already been registered with the Company