

JOHN KEELLS HOLDINGS PLC

Company Registration No. PQ 14
117, Sir Chittampalam A. Gardiner Mawatha, Colombo 2

THIS DOCUMENT IS OF VALUE

CIRCULAR TO SHAREHOLDERS



IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER OR OTHER PROFESSIONAL ADVISOR IMMEDIATELY.

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12 August, 2024

Dear Shareholder,

RIGHTS ISSUE OF SHARES FOLLOWED BY A SUB-DIVISION OF SHARES

1. RIGHTS ISSUE OF SHARES

RIGHTS ISSUE OF 150,263,595 ORDINARY SHARES AT Rs.160/- PER SHARE.

A. BACKGROUND

The Board of Directors of John Keells Holdings PLC (the "Company") resolved on 30 July, 2024, subject to the approval of the Shareholders by means of an ordinary resolution at an Extraordinary General Meeting ("EGM"), to issue 150,263,595 Ordinary Shares to holders of 1,502,635,957 Ordinary Shares in the capital of the Company.

The issue is in the proportion of One (1) Ordinary Share for every Ten (10) Ordinary Shares held by the Shareholders of the Company as at the Date of Entitlement, being the Record Date/Date of Provisional Allotment, which is the Second (2nd) Market Day from and excluding the date of the EGM, namely 11 September, 2024, at a price of Rs.160/- per share, which shall rank *pari passu* with the existing Ordinary Shares of the Company, referred to herein as the "Rights Issue".

Assuming full subscription of the Rights Issue:

- the total number of Ordinary Shares in issue will increase to 1,652,899,552 shares; and
- the total Proceeds from the Rights Issue will amount to Rs.24,042,175,200/- for the Purpose more fully described in Section 1 (C) of this Circular.

The above number of shares post the Rights Issue will not change as the exercise of Employee Share Option ("ESOPs") has been suspended by the Company from the date of the announcement of the Rights Issue and the Sub-division of shares (30 July, 2024) till the Declaration evidencing the completion of the Sub-division is submitted to the Colombo Stock Exchange ("CSE").

B. THE RIGHTS ISSUE

1. The entitlement under the Rights Issue ("Rights") will be provisionally allotted, upon receiving the approval of the Shareholders at the EGM convened for that purpose. The Date of Entitlement for the Rights will be on the Record Date/Date of Provisional Allotment, which is the Second (2nd) Market Day from and excluding the date of the EGM, namely 11 September, 2024. The Provisional Letters of Allotment will be dispatched within five (5) Market Days from and excluding the Record Date.
2. Upon the issue of the Provisional Letters of Allotment, the trading of the Rights shall commence on the fourth (4th) Market Day from and excluding the date of dispatch of the Provisional Letters of Allotment. Such trading shall continue throughout the period of renunciation to the Central Depository Systems (Private) Limited ("CDS").
3. Fractional Rights will be ignored for the allotment of Rights. Fractional Rights referred to herein shall mean the fractions arising pursuant to applying the following formula:

$$\frac{\text{Number of shares held by a Shareholder as at end of trading on 11 September, 2024}}{10 \text{ (existing shares)}} \times 1 \text{ (new share)}$$

4. Any unclaimed Rights and unallotted fractional Rights will be allotted to Shareholders who have applied for additional Rights, and, in the event of an over subscription of additional Rights, the allotment of such additional shares shall be based on the proportion of Ordinary Shares of the Company held by them on the Record Date.
5. The Company has not entered into any underwriting agreement in relation to this Rights Issue of shares.
6. Where a Shareholder maintains their shareholding of the Company in the CDS, the shares arising from the Rights Issue will be directly deposited to the respective Shareholder's CDS accounts in terms of the Directive issued by the Securities and Exchange Commission of Sri Lanka ("SEC") by their Circular No. 8/2010 dated 22 November, 2010 and the Circular No. 13/2010 issued by the CDS dated 30 November, 2010 and no certificate will be issued to any Shareholder who has been allotted shares under the Rights Issue.
7. Shareholders who do not hold their shares in the CDS are requested to open an account with the CDS and to deposit their existing share certificate in the CDS forthwith so that the Rights shares could be directly uploaded to such CDS Account. In the event of non-availability of a CDS account number, the Rights shares to be allotted to any Shareholder will only be registered in the share ledger maintained by the Company Secretaries (Keells Consultants (Private) Limited) and such Shareholder will not be entitled to a share certificate. In addition, such Shareholders will not be able to trade with their Rights shares until such time a CDS Account is opened and these shares are lodged into the account. Subsequent to the opening of the CDS Account, the Shareholder should inform the Company Secretary in writing of the account number to which the Rights shares will then be uploaded and such requests will be processed on a weekly basis.
8. Ordinary Shares of the Company issued, where the Letters of Acceptance (Form A and Form C) received from Shareholders do not carry a valid CDS Account Number, or which indicate an incorrect/inaccurate CDS Account Number, will not be uploaded on the date specified for upload by the Rules of the CSE; thereby such Shareholders will not be able to trade with the Rights shares until such time the same has been deposited with the CDS.
9. Please ensure strict adherence to the Directive No. 8/2010 dated 22 November, 2010 issued by the SEC and Circular No. 13/2010 dated 30 November, 2010 issued by the CDS relating to de-materialisation of listed securities.

C. PURPOSE OF THE ISSUE

The Proceeds of the Rights Issue ("Proceeds") will be used to support the project funding requirement at Waterfront Properties (Private) Limited ("WPL"; the "Project Company"), a subsidiary in which the Company has a shareholding of 99% (directly and indirectly). WPL is the developer of the 'City of Dreams Sri Lanka' integrated resort (the "Project", previously branded as 'Cinnamon Life Integrated Resort').

The Proceeds will support the Company's financing obligations, which has increased due to the higher than anticipated equity funding requirement of the Project required to bridge the impacts of the delayed cashflow generation from operations due to the deferment of the commencement date, including the gaming operations. The Proceeds will also be utilised to fund the cashflows of WPL due to the lag in sales and collections from the residential apartments of the Project, primarily on account of the delay in the commencement of the Project.

The Company has secured a partnership with one of the world's leading casino and integrated resort operators, Melco Resorts & Entertainment Limited ("Melco"). Melco has made a commitment to invest approximately USD 125 million in fitting out and equipping the gaming space. This partnership was finalised subsequent to the publication

of regulations governing the issue of a casino license under a structured and transparent framework. The revised licensing criteria provides for a clear framework for the issuing of licenses with stipulated minimum investment while also assuring Melco, as investor and operator, and WPL, as landlord, a long-term license for a casino to be operated within the Project for a period of 20 years. The time taken for the development and gazetting of this new framework resulted in a delay in finalising agreements with Melco. While this had a corresponding impact on the timelines of commencing the gaming operations within the Project from that envisaged last year, the Company is of the view that the clarity and long-term nature of the licensing framework is more beneficial to the Project.

The sales of the residential apartments of the Project have been slower than expected, though in line with the trends seen in the luxury segment in Colombo. The sales momentum is expected to pick-up given the near completion of the Project and the conclusion of many vital elements, including the operationalisation of the gaming space with an internationally reputed partner such as Melco.

Whilst the Project construction has continued unhindered, the funding of equity into WPL has resulted in higher leverage at the Company. Moreover, approximately USD 90-100 million (approximately Rs.27-30 billion¹) further funding, including on account of additional interest during construction and pre-opening expenses, is required until the commencement of the gaming operations and retail mall scheduled for mid-CY2025.

The Proceeds are earmarked to fund equity infusions into WPL over a period not exceeding twenty-four (24) months, with a majority of the infusions being required over the next twelve (12) to fifteen (15) months, on a staggered basis, to settle financing and other Project-related obligations. Until required by WPL, the Proceeds would be utilised to reduce short-term revolving debt obligations and overdrafts of the Company obtained from licensed commercial banks in Sri Lanka. The settlement of the relevant facilities will be based on the optimum funding costs and liquidity requirements of the Company. The related committed facilities available with the Company will be redrawn, as and when required to fund the Project as specified in the Purpose of the Issue, ensuring liquidity and optimum utilisation of the Proceeds. The capital raising will result in strengthening the balance sheet of the Company by reducing its levels of leverage in the longer term, providing the Company with greater flexibility for its future investments.

There are no risks attached to the Purpose of the Issue not being met (being the completion of the Project) nor the ability to infuse the Proceeds within the specified timeline or in the manner stated above. In the unlikely event the Rights Issue is undersubscribed to whichever extent, there are no risks associated with not receiving the Proceeds, as the Company has alternate funding avenues to bridge any gap, including maximising on the cash generation of its existing businesses, its dividend inflows and further leveraging at the Company level to ensure the completion of the Project.

Background to the Project

The investment into the Project Company was approved by the Shareholders of the Company as a "Major Transaction" in August 2013. At the inception of the Project in 2013, equity funding of the Project till completion, including funding of cost overruns, financial support of the Project Company's debt obligations, the cost and funding impact of delays was approved by the Board of Directors and no further approval is needed to complete the investment into the Project. The Company has supported the Project throughout its development and has continued to infuse equity into the Project to ensure completion and enabling the commencement of operations. As the Proceeds of the Rights Issue will be utilised in the same manner for the equity funding of the Project, no additional approval is required from the Related Party Transaction Committee.

¹ Middle rate of the USD/LKR spot exchange rate of Rs.301.24 as at 9 August, 2024 published by the Central Bank of Sri Lanka.

The funds raised via the subsequent rights issue approved by the Shareholders in October 2013, to invest the proceeds as equity into the Project Company for the construction of the Project, have been fully infused into WPL.

As originally envisaged, the Project is funded through a mix of equity, sales of residential apartments and commercial complex, and debt at the Project Company, where the investment in the Project as at the date of this Circular, is approximately USD 1,135 million (approximately Rs.343 billion²).

'City of Dreams Sri Lanka' is South Asia's first fully-fledged integrated resort, comprising many iconic and unique offerings such as a luxury 800-guest room hotel, ballrooms, exhibition halls and conference facilities and other amenities such as luxury residential apartments, A-Grade office space, retail, and lifestyle and entertainment spaces including a casino which will be fitted-out to luxury international standards. As announced on 30 April, 2024, a wholly-owned subsidiary of Melco will be the operator of the gaming facility and also invest in the fitting out and equipping of the space. The 20-year lease agreement for the demarcated gaming space at the 'City of Dreams Sri Lanka' is executed, and Melco has mobilised the teams to commence the fit-out work of the gaming space.

The finishing works at the 'City of Dreams Sri Lanka' integrated resort is progressing well. WPL has obtained necessary approvals including the Certificate of Conformity (CoC) for the 687-key 'Cinnamon Life' hotel, restaurants and banquet facilities, which are in the final stages of fit-out with operations due to commence in October 2024. The remainder of the Project comprising of the 113-key 'Nuwa' hotel, gaming operations and retail mall, will be operational, in a phased manner, with overall completion of these elements scheduled for mid-CY2025.

'City of Dreams Sri Lanka' is expected to be a catalyst in creating tourism demand, foreign exchange earnings and employment generation in the city of Colombo, similar to other cities that have opened iconic integrated resorts of this nature.

D. KEY DATES FOR THE RIGHTS ISSUE

Subject to Shareholder approval being obtained at the EGM, the key dates for the Rights Issue are provided below.

i. Extraordinary General Meeting Date (Within Twenty-five (25) Market Days from obtaining approval, in principle, from the CSE)	9 September, 2024
ii. Ex-Rights (XR) Date (The Market Day immediately following the EGM date)	10 September, 2024
iii. Date of Entitlement i.e. Record Date and the Date of Provisional Allotment (The Second (2 nd) Market Day from and excluding the date of the EGM)	11 September, 2024
iv. Date for Direct Deposit of Rights into Shareholders' CDS Accounts (Within Three (3) Market Days from and excluding the Record Date)	18 September, 2024
v. Date of dispatching/making available the Provisional Letter of Allotment (Within Five (5) Market Days from and excluding the Record Date)	20 September, 2024
vi. Rights Trading Commencement (Shall commence on the Fourth (4 th) Market Day from and excluding the date of dispatching/making available the Provisional Letter of Allotment)	26 September, 2024
vii. Last Date of Renunciation (Shall not exceed Nine (9) Market Days from and excluding the date of dispatching/making available the Provisional Letter of Allotment)	3 October, 2024
viii. The Last Date of Acceptance and Payment for Rights (Shall be the Twelfth (12 th) Market Day from and excluding the date of dispatching/making available the Provisional Letter of Allotment)	8 October, 2024

² Middle rate of the USD/LKR spot exchange rate of Rs.301.24 as at 9 August, 2024 published by the Central Bank of Sri Lanka.

E. ADJUSTMENT TO CONVERTIBLE DEBENTURES ISSUED TO HWIC ASIA FUND

Further to the Company's announcement dated 21 June, 2022 and the Circular to the Shareholders and Notice of Meeting dated 6 July, 2022 and subsequent approval granted by the Shareholders of the Company on 4 August, 2022, HWIC Asia Fund ("HWIC"), a subsidiary of Fairfax Financial Holdings Limited, was issued 208,125,000 Sri Lankan Rupee denominated unrated, unlisted, unsecured convertible debentures ("Debentures") which are eligible for conversion to ordinary voting shares. This issue enabled the Company to raise funds amounting to approximately Rs.27 billion at a time when the country faced significant uncertainty and volatility.

As announced on 29 February, 2024, HWIC as of the date of this Circular, has converted 110,000,000 Debentures into Ordinary Shares of the Company and currently holds 98,125,000 outstanding Debentures in the Company, which are eligible for conversion till 12 August, 2025. The Debentures, which accrue interest at 3 per cent per annum, were issued at Rs.130 per Debenture and with the option for conversion to Ordinary Shares of the Company at a ratio of 1:1.

As per the Debenture Deed and in terms of the approval of the Shareholders of the Company, any corporate action, such as the Rights Issue outlined in this Circular, requires an adjustment to the conversion ratio of the outstanding Debentures, such that the Debenture holder is entitled to receive, after the Rights Issue, the same shareholding percentage in the Company upon the conversion of the Debenture, had the conversion taken place immediately prior to the happening of the Rights Issue. Accordingly, and on the basis of a One (1) for Ten (10) Rights Issue, the conversion ratio of the Debenture would stand adjusted to 1:1.1 Ordinary Shares of the Company (each Debenture can be converted to 1.1 newly listed Ordinary Shares of the Company).

Accordingly, post the Rights Issue and assuming full subscription by Shareholders, HWIC would be eligible to convert the currently outstanding 98,125,000 Debentures into 107,937,500 newly listed Ordinary Shares of the Company.

F. GENERAL

1. The Rights will be provisionally allotted upon receiving the approval of the Shareholders by way of an ordinary resolution at the EGM convened for the purpose.
2. The high, low, last traded prices and the Volume Weighted Average Price ("VWAP") of the shares of the Company during the preceding three-month period are as follows:

Month	High (Rs.)	Low (Rs.)	Last Traded (Rs.)	VWAP (Rs.)	Number of Shares Traded	Number of Trades
May 2024	218.00	200.00	206.75	204.30	18,287,191	3,678
June 2024	208.00	201.00	203.75	203.66	22,389,009	2,354
July 2024	205.75	171.00	171.75	194.43	21,208,443	4,286

Source: CSE

3. The dividend declared per share and dividend paid during the preceding three-years are as follows:

For the year ended 31 March	Dividend per share (declared) (Rs.)	Dividend paid (Rs.)
2022	1.50	2,012,192,780
2023	2.00	2,769,833,264
2024	1.50	2,080,473,388

4. The Directors further noted that, in accordance with the ESOP Plans 10 and 11 approved by the Shareholders of the Company, as a result of the Rights Issue of shares, both the exercise price and the quantity of ESOPs will be adjusted to reflect the price-dilutive element embedded in the Rights Issue so that the holder of an ESOP as at the final allotment of the Rights Issue, is entitled to receive the same intrinsic value of the ESOP before and after the Rights Issue.
5. The exercise of ESOPs has been suspended from the date of the announcement of the Rights Issue and the Sub-division of shares (30 July, 2024) till the Declaration evidencing the completion of the Sub-division is submitted to the CSE. The exercise of ESOPs will recommence after the Declaration of the Sub-division.
6. In terms of the Directive issued by the SEC under Circular No. 8/2012 and 10/2012, regarding de-materialisation of listed securities, Shareholders are advised to lodge all share certificates with the CDS.
7. The transactions envisaged herein and the utilisation of the proceeds of the Rights Issue are not major transactions as per the Companies Act, No. 07 of 2007.
8. The Proceeds shall be utilised for the Purpose set out in Section 1 (C) of the Circular. The equity investment to WPL through the Proceeds of the Rights Issue will be disclosed, in the Annual Report and the Interim Financial Statements of the Company and the Group, in the following template from the date of raising funds through the Rights Issue until the objective is achieved and funds are fully utilised.

The Rights Issue Proceeds utilised as at dd/mm/yyyy:

Objective	Objective as per Circular	Amount allocated as per Circular (Rs.)	Proposed date of utilisation as per Circular	Amount allocated upon the receipt of Proceeds (Rs.) (A)	As a % of total Proceeds	Amount utilised in the objective (B)	% of utilisation against the allocation (B/A)	Clarification if not fully utilised including where the funds are invested (eg: whether lent to related party etc.)

In the event the funds raised through the Rights issue (as applicable) have been fully utilised by the company as disclosed in the Circular to shareholders between two financial periods, the Company shall disclose such fact in the immediate succeeding Annual Report or the Interim Financial Statement, whichever is published first.

9. There are no material changes to the contingent liabilities and litigation that were disclosed in the Audited Financial Statements as of 31 March, 2024 and the Interim (unaudited) Financial Statements as of 30 June, 2024.

G. THE TOP 20 SHAREHOLDERS OF THE COMPANY AS AT 7 AUGUST, 2024

No.	Name	Number of shares	Shareholding (%)
1	HWIC Asia Fund	291,105,699	19.37
2	Melstacorp PLC	128,917,111	8.58
3	Mr S E Captain	105,551,411	7.02
4	CIC Holdings PLC	85,736,478	5.71
5	Paints & General Industries Limited	82,021,832	5.46
6	Asian Development Bank	65,042,006	4.33
7	Schroder International Selection Fund	44,418,290	2.96
8	Polypak Secco Limited	40,176,070	2.67
9	Norges Bank Account 2	33,087,774	2.20
10	Aberdeen Standard Asia Focus PLC	31,345,603	2.09
11	Mr Kandiah Balendra	19,562,830	1.30
12	Mrs C S De Fonseca	17,606,991	1.17
13	Emrevival Master Fund LP	15,983,048	1.06
14	Mrs S A J De Fonseka	15,254,730	1.02
15	Hostplus Pooled Superannuation Trust	15,166,257	1.01
16	Chemanax PLC	15,124,515	1.01
17	Mehwar Commercial Investments L.L.L.C	13,156,562	0.88
18	Employees Trust Fund Board	12,989,299	0.86
19	Sunsuper Superannuation Fund	12,583,624	0.84
20	Edgbaston Asian Equity Trust	12,142,538	0.81

Source: Company shareholder Register as at 7 August, 2024

H. DECLARATIONS FOR THE RIGHTS ISSUE

1. Approval in principle has been obtained from the CSE to issue and list the new Ordinary Shares of the Company arising from the Rights Issue.
2. The listing of the shares by the CSE will in no way be reflective of the merits of the Issue. The CSE assumes no responsibility for the correctness of any of the statements made, opinions expressed, or reports included herein.
3. The Company confirms that no other regulatory approval is required for the Purpose of the Rights Issue, other than the approval of the Shareholders of the Company.
4. The Shareholders of the Company must strictly follow and adhere to the instructions provided in the Provisional Letter of Allotment in respect of acceptance, renunciation and applying for additional Rights.
5. The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given and confirm having made all reasonable enquiries, that to the best of their knowledge and belief that there are no other facts the omission of which would render any statement in the Circular misleading.
6. The Board, having considered all the factors relating to the Rights Issue, the interests of the Shareholders as well as the Company, has resolved that, in its opinion, the consideration of the Rights Issue is fair and reasonable to the Company and for all existing Shareholders, as required by the Companies Act No. 07 of 2007. The Board, therefore, recommends that the Shareholders of the Company vote in favour of the ordinary resolution for the Rights Issue.

7. In the event there are any changes to the above-mentioned Purpose of the Issue due to a change in circumstances, Shareholder approval would be sought prior to effecting such changes subsequent to making the required announcements to the CSE.

2. SUB-DIVISION OF SHARES

ONE (1) ORDINARY SHARE OF JOHN KEELLS HOLDINGS PLC TO BE SUB-DIVIDED INTO TEN (10) ORDINARY SHARES.

A. BACKGROUND

The Board of Directors of John Keells Holdings PLC (“JKH” or the “Company”) resolved on 30 July, 2024, subject to the approval of Shareholders by means of an ordinary resolution at an Extraordinary General Meeting (“EGM”), that the number of Ordinary Shares of the Company in issue be increased by way of a Sub-division of shares whereby One (1) existing Ordinary Share will be sub-divided into Ten (10) Ordinary Shares of the Company (referred to herein as the “Sub-division”). The Sub-division would take place based on the number of shares upon the listing of shares pursuant to the Rights Issue.

Assuming full subscription of the Rights Issue, the changes to the number of Ordinary Shares of the Company in issue as a consequence of the Rights Issue and the Sub-division would be as follows.

	Number of Ordinary Shares of the Company
Ordinary Shares in issue as at 30 July, 2024	1,502,635,957
Ordinary Shares in issue post the Rights Issue	1,652,899,552
Ordinary Shares in issue post the Sub-division	16,528,995,520

Assuming full subscription, the above number of Ordinary Shares will not change as the exercise of ESOPs has been suspended from the date of the announcement of the Rights Issue and the Sub-division of shares (30 July, 2024) till the Declaration evidencing the completion of the Sub-division is submitted to the CSE.

Subject to Shareholder approval being obtained at the EGM, the key dates for the Sub-division of the Ordinary Shares will be announced by the Company upon submission of the Declaration of the Rights Issue to the CSE, as per the following timelines.

i. Cut-off Date	Five (5) Market Days from and excluding the date of Declaration of the Rights Issue.
ii. Commencement of Dealing Suspension	The next Market Day after the Cut-off Date.
iii. Entitlement Date (Record Date for the Sub-division)	The Second (2 nd) Market Day from and excluding the Cut-off Date
iv. Dealing Suspension	Dealing will be suspended for a period of Five (5) Market Days from and excluding the Cut-off Date
v. Resumption of Share Trading	The next Market Day following the End of Dealing Suspension

B. ADJUSTMENT TO CONVERTIBLE DEBENTURES ISSUED TO HWIC ASIA FUND

Assuming full subscription of the Rights Issue, HWIC Asia Fund ("HWIC") would be eligible to convert the outstanding 98,125,000 Debentures in to 107,937,500 Ordinary Shares of the Company based on the aforesaid adjustment to the conversion ratio (Section 1 (E) of this Circular) as per the Debenture Deed and Shareholder Approval.

Similarly, as per the Debenture Deed and as approved by the Shareholders of the Company on 4 August, 2022, any corporate action such as the Sub-division of shares as outlined in this Circular, requires an adjustment to the outstanding 98,125,000 Debentures such that the Debenture holder is entitled to the Sub-division of the shares on the same basis, had the conversion of the outstanding Debentures and resultant issue of newly listed Ordinary Shares of the Company to HWIC taken place immediately prior to the Sub-division. Accordingly, any newly listed Ordinary Shares issued to HWIC, should they opt to convert any or all of the outstanding Debentures, would be sub-divided on the same basis of Ten (10) Ordinary Shares for One (1) Ordinary Share.

Post the Rights Issue (assuming full subscription), the Sub-division of Ordinary Shares in the Company, would result in the total number of Ordinary Shares of the Company to be as follows:

	Prior to the Rights Issue and Sub-division of Ordinary Shares	Post Rights Issue (assuming full subscription)	Post Sub-division of Ordinary Shares
A. Ordinary Shares in the Company	1,502,635,957	1,652,899,552	16,528,995,520
B. Potential additional Ordinary Shares in the event HWIC converts all of the outstanding Debentures	98,125,000	107,937,500	1,079,375,000
Total potential Ordinary Shares of the Company (A + B)	1,600,760,957	1,760,837,052	17,608,370,520

Any undersubscription of the Rights Issue would result in a corresponding reduction in the number of Ordinary Shares to which the Debenture can be converted (Section 1 (E) of this Circular), and accordingly the number of Ordinary Shares which will be subject to the Sub-division.

C. GENERAL

1. The Sub-division will not, by itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate interest of the Shareholders.
2. The post Rights Issue Stated Capital of the Company shall not change after the Sub-division.
3. The sub-divided shares shall carry the same rights enjoyed by the original shares (each Ordinary Share will entail one vote) and will rank *pari passu* in all respects with each other.
4. The Directors further noted that in accordance with the terms of the ESOP Plans 10 and 11 approved by the Shareholders of the Company, as a result of the Sub-division of Ordinary Shares, both the number and exercise price of the ESOPs in issue will be further adjusted proportionately so that the holder of an ESOP as at the Date of Entitlement for the Sub-division (being the Record Date for the Sub-division), is entitled to receive the revised number of shares of the Company which they would have owned or have been entitled to receive after the Sub-division, had such ESOP been exercised post the Rights Issue but prior to the Sub-division.

5. The exercise of ESOPs has been suspended from the date of the announcement of the Rights Issue followed by the Sub-division of shares (30 July, 2024) till a Declaration evidencing the completion of the Sub-division is submitted to the CSE. The exercise of ESOPs will recommence after the Declaration.

D. DECLARATIONS FOR SUB-DIVISION

1. The Company has received concurrence from the CSE for the Sub-division.
2. In determining the number of shares held by a Shareholder as at the relevant date for the purpose of sub-dividing the shares, the Ordinary Shares in the CDS and the Shareholders' Register maintained by the Company will be aggregated in so far as the identity of such Shareholders is available with the Company for identification purposes.
3. The increased number of shares arising from the sub-divided shares will be directly deposited to the respective shareholders' CDS Accounts. All such shares will be uploaded to the respective CDS accounts, within three (3) Market Days from the Date of Entitlement.
4. The Board, having considered all the factors relating to the Sub-division, the interests of the Shareholders as well as the Company, has resolved that the Sub-division is fair and reasonable to the Company and for all its Shareholders, including with respect to the Companies Act No. 07 of 2007. The Board, therefore, recommends that the Shareholders of the Company vote in favour of the ordinary resolution to sub-divide the Ordinary Shares.
5. Pursuant to a Directive issued by the SEC pertaining to the de-materialisation of listed securities, in the event a Shareholder does not possess a valid CDS Account Number, such shares will not be uploaded and such Shareholders will not be able to trade with the shares until such time the same has been validly deposited with the CDS. Therefore, please ensure strict adherence to the Directive issued by the SEC regarding lodging of all shares with the CDS.
6. The Shareholders who hold certificates in respect of their shares are required to surrender their share certificates to the Company Secretaries, Keells Consultants (Private) Limited, 117, Sir Chittampalam A. Gardiner Mawatha, Colombo 2 or in the alternative lodge them with the CDS before 9 September, 2024.
7. Shareholders who do not hold their shares in the CDS are requested to open an account with the CDS and to deposit their existing share certificate in the CDS forthwith so that the Sub-divided shares could be directly uploaded to such CDS Account. In the event of non-availability of a CDS account number, the Sub-divided shares to be allotted to any Shareholder will only be registered in the share ledger maintained by the Company Secretaries and such Shareholder will not be entitled to a share certificate.
8. Shareholders who may require additional details or assistance in relation to the any of the aforementioned matters may contact the Company Secretaries, Keells Consultants (Private) Limited, on any working day during the period from 12 August, 2024 to 8 September, 2024, between 8.30 a.m. and 4.30 p.m. on **+94 11 230 6242**.
9. Shareholders who have lost their share certificates may contact the Company Secretaries, Keells Consultants (Private) Limited, 117, Sir Chittampalam A. Gardiner Mawatha, Colombo 2, to facilitate the issue of duplicate certificates.
10. The Directors confirm that the increase of the number of Ordinary Shares by the Sub-division and the modality to be adopted to effect such Sub-division are consistent with the provisions of the Companies Act No. 7 of 2007.

11. Article 8 (iii) of the Articles of Association of the Company facilitates such Sub-division of shares of the Company, by way of an ordinary resolution of the Shareholders of the Company.
12. This transaction will not be classified as a major transaction as defined in Section 185 of the Companies Act No. 7 of 2007.
13. The Sub-division will not trigger any actions required under the Take-overs and Mergers Code 1995 (Amended 2003).
13. The Company confirms that no other approval is required for the Sub-division other than the approvals stated in this Circular. The Company has also complied with all applicable laws and regulations relating to the Sub-division of Ordinary Shares.
14. The Directors of John Keells Holdings PLC individually and collectively accept full responsibility for the accuracy of the information given, and confirm, having made all reasonable enquiries that, to the best of their knowledge and belief, there are no other facts, the omission of which would render any statement in the Circular misleading.

3. EXTRAORDINARY GENERAL MEETING

1. The Rights Issue and Sub-division of shares, which have been recommended herein, are subject to the required ordinary resolutions being passed by the Shareholders. An Extraordinary General Meeting, therefore, is being convened in accordance with the Notice of Meeting attached hereto, for the purpose of passing the resolutions set out herein.
2. Shareholders who are unable to attend the meeting in person are requested to complete the enclosed Form of Proxy (in accordance with the instructions specified herein) and deposit it at the registered office of the Company not less than 48 hours before the time appointed for the Meeting.

By Order of the Board
John Keells Holdings PLC



Keells Consultants (Private) Limited
Secretaries

12 August 2024

NOTICE OF EXTRAORDINARY GENERAL MEETING

JOHN KEELLS HOLDINGS PLC
Company No. PQ 14
117, Sir Chittampalam A. Gardiner Mawatha,
Colombo 2,
Sri Lanka.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting ("Meeting") of John Keells Holdings PLC will be held as a virtual meeting on 9 September, 2024 at 3.00 p.m. for the purpose of considering and if thought fit passing the following, as ORDINARY RESOLUTIONS:

1. RIGHTS ISSUE OF ORDINARY SHARES

"IT IS HEREBY RESOLVED THAT One Hundred Fifty Million Two Hundred Sixty-Three Thousand Five Hundred Ninety-Five (150,263,595) new Ordinary Shares be issued to the existing Shareholders of the Company by way of a Rights Issue, in the proportion of One (1) new Ordinary Share for every Ten (10) Ordinary Shares held by the Shareholders of Ordinary Shares of the Company as at the Date of Entitlement, being the Record Date/Date of Provisional Allotment, which is the Second (2nd) Market Day from and excluding the date of this Meeting, namely 11 September, 2024, at an issue price of Rupees One Hundred and Sixty (Rs.160/-) per Share, which price is in the opinion of the Directors fair and reasonable to the Company and to the existing Shareholders, with each share ranking equal and *pari passu* in all respects with the existing Ordinary Shares of the Company;

THAT fractional Rights shall be ignored for the allotment of Rights and any unclaimed Rights and unallotted fractional Rights will be pooled together and allotted to Shareholders who have applied for additional Rights, and, in the event of an over subscription of additional Rights, the allotment of such additional shares shall be based on the proportion of Ordinary Shares of the Company held by them as at the Record Date."

2. SUB-DIVISION OF ORDINARY SHARES

"IT IS HEREBY RESOLVED THAT the Ordinary Shares of the Company, as at end of trading on the Date of Entitlement (Record Date for the Sub-division), [i.e. 2nd Market Day from and excluding the Cut-off Date for the Sub-division], be increased by way of a Sub-division under and in terms of Article 8 (iii) of the Articles of Association of the Company, whereby One (1) Ordinary Share will be sub-divided into Ten (10) Ordinary Shares, thereby increasing the Ordinary Shares in issue as at the Date of Recommendation of Share Trading. Accordingly, assuming full subscription of the Rights Issue of Shares, One Billion, Six Hundred Fifty-Two Million, Eight Hundred Ninety-Nine Thousand, Five Hundred Fifty-Two (1,652,899,552) Ordinary Shares in issue shall be increased to Sixteen Billion, Five Hundred Twenty-Eight Million, Nine Hundred Ninety-Five Thousand, Five Hundred Twenty (16,528,995,520) Ordinary Shares."

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Keells Consultants (Private) Limited
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NOTES:

- i. A Member unable to attend the Meeting is entitled to appoint a Proxy to attend and vote in their place.
- ii. A Proxy need not be a Member of the Company.
- iii. A Member wishing to vote by Proxy at the Meeting may use the Form of Proxy enclosed herein.
- iv. Members 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 resolution to be taken up at the Meeting in the Form of Proxy.
- v. In order to be valid, the completed Form of Proxy must be lodged at the Registered Office of the Company not less than 48 hours before the Meeting.
- vi. A vote can be taken on a show of hands or by a poll. If a poll is demanded, each Share is entitled to one vote. Votes can be cast in person, by proxy or corporate representatives. In the event an individual Member and their Proxyholder are both present at the Meeting, only the Member's vote is counted. If the Proxyholder's appointor has indicated the manner of voting, only the appointor's indication of the manner to vote will be used.
- vii. Instructions as to attending the virtual Meeting are enclosed.

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FORM OF PROXY – EXTRAORDINARY GENERAL MEETING

I/We..... of
being a
 member/s of John Keells Holdings PLC hereby appoint
of
or failing him/her

- | | |
|--|----------------|
| MR. KRISHAN NIRAJ JAYASEKARA BALENDRA | or failing him |
| MR. JOSEPH GIHAN ADISHA COORAY | or failing him |
| MR. DAMIAN AMAL CABRAAL | or failing him |
| DR. SHRIDHIR SARIPUTTA HANSA WIJAYASURIYA | or failing him |
| DR. SHARMINI AMRITA COOREY | or failing her |
| MR. DEVENI VIDANALAGE RENUK SUREN FERNANDO | or failing him |
| MR. HECTOR MANIL ANTHONY JAYESINGHE | or failing him |
| MS. RUCHIRA SHUKLA | |

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 9 September, 2024 at 3.00 p.m. 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:

ORDINARY RESOLUTIONS

	FOR	AGAINST	ABSTAINED
1. Rights Issue of Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Sub-division of Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signed on this day of Two Thousand and Twenty-Four.

.....
 Signature/s of Shareholder/s

NOTE:

INSTRUCTIONS AS TO THE COMPLETION OF THE FORM OF PROXY ARE NOTED BELOW.

FORM OF PROXY – EXTRAORDINARY GENERAL MEETING

INSTRUCTIONS AS TO COMPLETION OF PROXY

1. Please perfect the Form of Proxy by filling in legibly your full name and address, signing in the space provided and filling in the date of signature.
2. The completed Form of Proxy should be deposited at the Registered Office of the Company at No. 117, Sir Chittampalam A. Gardiner Mawatha, Colombo 2, Sri Lanka, or forwarded by fax to +94 11 243 9037, or e-mailed to *keellsconsultants@keells.com* no later than 48 hours before the time appointed for the convening of the Meeting.
3. If the Form of Proxy is signed by an Attorney, the relevant Power of Attorney should accompany the completed Form of Proxy for registration, if such Power of Attorney has not already been registered with the Company.
4. If the appointor is a company or corporation, the Form of Proxy should be executed under its Common Seal or by a duly authorised officer of the company or corporation in accordance with its Articles of Association or Constitution.
5. If this Form of Proxy is returned without any indication of how the person appointed as Proxy shall vote, then the Proxy shall exercise their discretion as to how they vote or, whether or not they abstain from voting.

Please fill in the following details:

Name :

Address :

.....

.....

Jointly with :

Share Folio No. :

NIC No. :

INSTRUCTIONS FOR REGISTRATION AND PARTICIPATION AT THE VIRTUAL EXTRAORDINARY GENERAL MEETING

JOHN KEELLS HOLDINGS PLC (THE "COMPANY")

INSTRUCTIONS FOR REGISTRATION AND PARTICIPATION AT THE VIRTUAL EXTRAORDINARY GENERAL MEETING
OF THE COMPANY HELD THROUGH AUDIO/VISUAL MEANS ON 9 SEPTEMBER, 2024 AT 3.00 P.M.

Dear Shareholder,

The Board of Directors of the Company, having taken into consideration the guidelines issued by the Colombo Stock Exchange ("CSE") on holding virtual shareholder meetings through audio/visual means and in conformity with the regulatory provisions of the Articles of Associations of the Company, have decided to hold the Extraordinary General Meeting ("EGM") of the Company as a virtual meeting through audio/visual means using an online platform in the manner set forth below.

1. Shareholders who wish to participate in the EGM through the online platform are required to complete and forward the "Shareholder/Proxyholder Registration Form" enclosed within this document together with a copy of the National Identity Card or Passport of the Shareholder/Proxyholder (if a Proxy is appointed) by registered post to the Registered Office of the Company, by email to keellsconsultants@keells.com or by fax to **+94 11 243 9037**, not less than 48 hours before the convening of the EGM. Shareholders are required to mandatorily provide their email address (or the email address of the Proxyholder) in the space provided in the Registration Form in order to forward the weblink, if they wish to participate in the EGM through the online platform. The registered Shareholders/Proxyholders are requested to join the EGM only on the digital platform through the weblink sent by the Company.
2. Shareholders who wish to submit proxies can duly complete the Form of Proxy as per the instructions given on the reverse of the Form of Proxy and send the same by registered post to the registered office of the Company or forward it by fax to **+94 11 243 9037** not less than 48 hours before the convening of the EGM.
3. Shareholders who wish to appoint a member of the Board of Directors as their Proxy to represent them at the EGM, may do so by completing the Form of Proxy with their voting preferences marked against each resolution to be taken up at the EGM.
4. It is recommended that Shareholders/Proxyholders join the EGM at least fifteen (15) minutes before the start of the EGM. The digital platform will be active thirty (30) minutes before the start of the EGM.
5. Voting on items listed on the Agenda will be registered by using an online platform. Shareholders/Proxyholders will be briefed on the procedure for voting prior to the commencement of the EGM.
6. All Shareholders/Proxyholders who wish to speak at the EGM, seek clarification or make a comment relevant to the EGM are required to identify themselves and switch on their camera and microphone when speaking.
7. Any Shareholder can forward his/her queries and clarifications relevant to the EGM, by registered post to the Registered Office of the Company, email to keellsconsultants@keells.com or by fax to **+94 11 243 9037** not less than three (3) days before the convening of the EGM. Responses in respect of such queries and clarifications may be made before, during or after the Meeting.
8. The date fixed for the EGM will not be affected even if a public holiday or a curfew is declared on this date, as the EGM will be held virtually. In the event any further action is required to be taken by the Company in relation to the EGM, notification of such change would be made by way of an announcement to the CSE.

By Order of the Board

John Keells Holdings PLC



Keells Consultants (Private) Limited

Secretaries

12 August 2024

REGISTRATION FORM

ANNEXURE 1

JOHN KEELLS HOLDINGS PLC

EXTRAORDINARY GENERAL MEETING – 9 SEPTEMBER, 2024

To: John Keells Holdings PLC
117, Sir Chittampalam A. Gardiner Mawatha,
Colombo 2.

Full Name of the Shareholder:.....

Shareholder's Address:.....

Shareholder's NIC No./Passport No./Co. Reg. No.:.....

Shareholder's Contact Nos: Residence: Mobile:.....

Shareholder's Email Address:

IF PROXY IS APPOINTED

Full Name of Proxyholder:.....

Proxyholder's NIC No./Passport No.:

Telephone Number: Residence: Mobile:.....

Email Address:.....

.....
Shareholder's Signature

.....
Date

Notes:

- Please perfect the Shareholder/Proxyholder Registration Form by filling in legibly your full name, address, email, contact number, signing in the space provided and filling in the date of signature.
- If the Registration Form is signed by an Attorney, the relevant Power of Attorney should accompany the completed Registration Form, if such Power of Attorney has not already been registered with the Company.
- If the Shareholder is a company or corporation, the Form should be executed under its Common Seal or by a duly authorised officer of the company or corporation in accordance with its Articles of Association or Constitution.