Corporate Services
(Private) Limited
An affiliate of F. J. & G. de Saram

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7th July 2026

The Colombo Stock Exchange,
No. 4-1, West Block,
World Trade Centre,
Echelon Square,
Colombo 01.

Attn: Ms. Nilupa Perera
Chief Regulatory Officer

Dear Sirs,

TAL LANKA HOTELS PLC – RIGHTS ISSUE 2026

In terms of Rule 5.2(b) of the Listing Rules of the Colombo Stock Exchange (the "CSE"), we wish to inform you that the Board of Directors of TAL Lanka Hotels PLC (the "Company") resolved on 7th July 2026 to issue shares by way of a Rights Issue, the details of which are as set forth below.

Number of shares to be issued	Sixty Six Million Eight Hundred and Thirty Six Thousand Seven Hundred and Eighty Five (66,836,785) ordinary voting shares
The proportion in which the shares are to be issued	Forty two (42) new ordinary voting shares for every one hundred and eight (108) existing ordinary voting shares
Price at which the shares are to be issued	Sri Lankan Rupees Twenty Eight (LKR 28) per share
Total funds to be raised	Sri Lankan Rupees One Billion Eight Hundred and Seventy One Million Four Hundred and Twenty Nine Thousand Nine Hundred and Eighty (LKR 1,871,429,980)
The current Stated Capital of the Company	Sri Lankan Rupees Two Billion Seven Hundred and Seventeen Million Seven Hundred and Forty Four Thousand Four Hundred and Twenty Five (LKR 2,717,744,425) constituting of monies received by the Company by the issue of one hundred and seventy one million eight hundred and sixty six thousand eighteen (171,866,018) ordinary voting shares
The purpose for which the proceeds of the issue will be used	To be utilized for the purpose of (i) repayment / pre-payment of certain loans obtained by the

	Company, (ii) financing the part refurbishment and part renovation of the Company's Hotel in Colombo, (iii) payment to vendors / suppliers including overdue fees payable to operator and (iv) general corporate purposes including operational expenses, professional fees, legal fees and to meet any shortfall in the proceeds allocated for the objective stipulated in (i) to (iii) above.

The Rights Issue is subject to the CSE approving in principle the issue and listing of shares, and obtaining shareholder approval at a General Meeting.

Yours faithfully,

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Director
CORPORATE SERVICES (PRIVATE) LIMITED
Secretaries
TAL LANKA HOTELS PLC