



NATIONS TRUST BANK PLC
Company Registration No. PQ 118
No.46/58, Nawam Mawatha,
Colombo 02

CIRCULAR TO SHAREHOLDERS - RIGHTS ISSUE 2026

THIS DOCUMENT IS OF VALUE AND WARRANTS YOUR CAREFUL CONSIDERATION.

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

Dear Shareholders,

We wish to inform you that the Board of Directors of Nations Trust Bank PLC ('the Company') has duly resolved to convene an Extraordinary General Meeting ('EGM') of the Company to be held on 16 November, 2026 at 10.00 a.m. hosted from the Board Room of the Company at No.46/58, Nawam Mawatha, Colombo 02 and convened through an online- virtual platform, for the purpose of enabling its shareholders to consider and if thought fit, to pass the Special Resolution set out in the attached Notice of Meeting pertaining to a Rights Issue of Ordinary Non-Voting Convertible Shares, as morefully described in Section 17 of this Circular. The Rights Issue is intended to strengthen the Company's Common Equity Tier 1 ('CET1') capital base and support the continued growth of its Balance Sheet and risk-weighted assets while maintaining prudent regulatory capital buffers.

1. RIGHTS ISSUE OF ORDINARY NON-VOTING CONVERTIBLE SHARES (CONVERTIBLE TO ORDINARY VOTING SHARES) TO THE HOLDERS OF ORDINARY VOTING SHARES AND ORDINARY NON-VOTING CONVERTIBLE SHARES OF NATIONS TRUST BANK PLC

We wish to inform you that the Board of Directors of the Company resolved at the meeting held on 7 September 2026, subject to the in-principle approval of the Colombo Stock Exchange ('CSE') and the approval of the shareholders at an EGM of the Company, to raise new equity capital by way of a Rights Issue of Ordinary Non-Voting Convertible Shares.

Accordingly, an offer to subscribe to such Rights Issue, the salient details of which are set out below, will be made by the Company to the holders of its registered Ordinary Voting Shares and Ordinary Non-Voting Convertible Shares as at the end of trading on the Record Date, i.e. 18 November 2026 ('the Entitled Shareholders'). The Record Date is the second (2nd) Market Day from and excluding the date of the EGM, i.e. 16 November 2026.

A total of 45,467,286 new Ordinary Non-Voting Convertible Shares will be offered to the Entitled Shareholders, by way of a Rights Issue of such shares in the proportion of three (03) new Ordinary Non-Voting Convertible Shares for every twenty-two (22) Ordinary Voting Shares and/or Ordinary Non-Voting Convertible Shares held, at an issue price of Rs.305.00 per share.

No duly registered Entitled Shareholder, upon the said issue, will be entitled to a fractional part of any share. Fractional entitlements referred to herein shall mean the fractions arising pursuant to applying the following formula:

$\frac{\text{Number of Ordinary Voting Shares/Ordinary Non-Voting Convertible shares held by a shareholder as at end of trading on 18 November 2026 (i.e. the Record Date) \times 3}{\text{(new Ordinary Non-Voting Convertible Shares)}}$
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$22 \text{ (existing Ordinary Voting Shares/ Ordinary Non-Voting Convertible Shares)}$
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Such fractions shall be aggregated and whole new shares arising from such aggregation will be allotted to shareholders who apply for additional Rights Shares. In the opinion of the Board of Directors, the consideration of Rs. 305.00 per Ordinary Non-Voting Convertible Share is fair and reasonable to the Company and to all its existing shareholders, as required under and in terms of the Companies Act, No. 07 of 2007 (as amended).

The offer to subscribe for the Rights Shares will be made by the Company by way of a Letter of Provisional Allotment with the right to renounce only in favour of the Central Depository Systems (Pvt) Limited ('CDS').

All such new Ordinary Non-Voting Convertible Shares resulting from Rights Issue shall, upon due subscription and final allotment (which shall be effected on a date after the Last Date for Acceptance and Payment) and provided due payment has been received therefor, rank equal and *pari passu* in all respects with the existing issued and fully paid Ordinary Non-Voting Convertible Shares, including the right to participate in any distribution declared or carried out by the Company pursuant to the final allotment which shall be after the Last Date of Acceptance and Payment. Refer to Section 11 which details the features of the Ordinary Non-Voting Convertible Shares to be issued.

The final allotment of the Ordinary Non-Voting Convertible Shares resulting from Rights Issue shall, for all intents and purposes, constitute an increase of the Company's Stated Capital.

In terms of Listing Rule No. 5.2.a. of the Listing Rules of the CSE, the Company is required to obtain the approval of the shareholders for the proposed Rights Issue.

The requisite Special Resolution to be passed by the Ordinary Voting shareholders and the Ordinary Non-Voting Convertible shareholders approving the Rights Issue of Ordinary Non-Voting Convertible Shares has been set out in the enclosed Notice of Meeting.

2. OBJECTIVES OF THE RIGHTS ISSUE

The principal objective of the Rights Issue is to strengthen the Company's CET1 capital base following the significant expansion of the Company's Balance Sheet and risk-weighted assets arising from the recent strategic growth initiatives comprising of new customer acquisitions from selected markets (one of which, the acquisition of HSBC retail banking portfolio), industry segments and deepening of existing relationships in the lending portfolio.

	The Capital Adequacy requirements (as per Banking Act Direction No 01 of 2016 and amendments thereto)	The timeline to achieve such requirements	The level of compliance by the company, at present (as of June 2026)	The level of compliance by the company, after the capital infusion (immediately after the Rights Issuance, based on June 2026)
Tier 1 Capital Ratio	8.50%	Not applicable	12.63%	14.98%
Total Capital Ratio	12.50%	Not applicable	16.28%	18.63%

The additional capital will strengthen the Company's CET 1 capital position that will support the Company's future growth strategy, beyond the current growth trajectory, by providing capacity to expand its loans and advances portfolio predominately covering term and working capital loans while supporting customer acquisitions across new markets, industries and geographies. The enhanced capital base will also allow the Company to pursue growth opportunities by introducing new products to existing customers, financing customers' business expansion plans while maintaining a strong capital position.

The enhanced capital base will further improve the Company's ability to withstand potential economic and business risks and support sustainable long-term growth. In the unlikely event the funds are not utilized for the intended objectives the proceeds will be invested in Government Securities, upon following the due procedure set out in the CSE Listing Rules.

The Board of Directors of the Company is confident that the funds raised will be utilized within three (03) months, based on the Company's past asset growth patterns. The Company disbursed an average of LKR 45Bn in new loan facilities per month, during the quarter ended 30 June 2026.

Pending deployment for the above purposes, any unutilized proceeds of the Rights Issue may be temporarily invested in Government Securities until required for the stated objectives.

If in the event that any part of the funds is lent to Related Parties, such lending would be at arm's length and in line with requirements set out by the Banking Act, No.30 of 1988 (as amended) and Directions issued thereunder and the Listing Rules of the CSE.

The objectives of the Rights Issue do not constitute a 'major transaction' within the meaning of Section 185 of the Companies Act, No. 7 of 2007 (as amended).

3. BENEFITS OF THE RIGHTS ISSUE

The Rights Issue is expected to support the sustainable implementation of its future growth strategy, by providing the Company with additional capacity to expand its loans and advances portfolio, predominantly covering term and working capital loans, while supporting customer acquisitions across new markets, industries , geographies and pursuing growth opportunities by introducing new products to existing customers, and financing customers' business expansion plans, thereby enabling the Company to accelerate its growth trajectory.

The strengthening of the Company's capital adequacy position through the Rights Issue will further enhance the Company's financial resilience and its capacity to absorb potential economic and business risks, while enabling the Company to continue maintaining prudent regulatory capital buffers.

The Company has maintained a history of a strong return on equity in line with or exceeding industry benchmarks in the country. The Rights Issue will afford shareholders an opportunity to participate in the future growth of the Company and to benefit from any resulting improvement in the Company's profitability, financial performance and shareholder returns.

4. RATIONALE FOR ISSUING ORDINARY NON-VOTING CONVERTIBLE SHARES ;

The issue of Ordinary Non-Voting Convertible Shares is intended to facilitate participation in the Rights Issue by all shareholders, notwithstanding the restrictions imposed by the CBSL in respect of shareholdings carrying voting rights. In terms of the Banking Act, No.30 of 1988 (as amended), the acquisition of shares carrying voting rights in a licensed commercial bank is subject to prescribed thresholds and regulatory requirements. Accordingly, a holder of Ordinary Non-Voting Convertible Shares may exercise the conversion option and convert their Ordinary Non-Voting Convertible Shares into Ordinary Voting Shares without payment of any additional consideration only to the extent that such conversion would not result in a breach of the Banking Act, No.30 of 1988 (as amended) or any condition or direction imposed by the CBSL. Shareholders who are restricted from increasing their holdings of Ordinary Voting Shares beyond the percentage presently held by them may continue to hold the Ordinary Non-Voting Convertible Shares.

The proposed structure will also enable the Company to utilise its existing class of Ordinary Non-Voting Convertible Shares, without creating a new class of shares. This will preserve consistency with the Company's existing capital structure and avoid the additional legal, regulatory and administrative complexity that may arise from the creation and introduction of a separate class of shares.

5. EQUITY AND CAPITAL STRUCTURE

The current Stated Capital of the Company is Rs. 13,990,602,710.09 represented by 288,491,548 Ordinary Voting Shares and 44,935,218 Ordinary Non-Voting Convertible Shares. Following the completion of the Rights Issue, the number of Ordinary Voting Shares shall remain at 288,491,548 and in the event of full subscription, the number of Ordinary Non-Voting Convertible Shares shall increase to 90,402,504 and the Stated Capital of the Company shall increase to Rs. 27,858,124,940.09 (i.e. by Rs. 13,867,522,230.00).

Holders of Ordinary Non-Voting Convertible Shares may, at their sole discretion and subject to applicable regulatory requirements, exercise the conversion option and convert such shares into Ordinary Voting Shares. There would be no change to the Stated Capital of the Company arising from the conversion of Ordinary Non-Voting Convertible Shares to Ordinary Voting Shares. Upon each quarterly conversion, the number of Ordinary Voting Shares shall increase by the number of Ordinary Non-Voting Convertible Shares so converted, with a corresponding decrease in the number of Ordinary Non-Voting Convertible Shares.

6. MARKET PRICE OF SHARES

The closing market prices of the Company's Ordinary Voting Share and Ordinary Non-Voting Convertible Share as at 7 of September 2026, were Rs. 312.75 and Rs. 397.25, respectively.

The highest, lowest and last traded prices of the Company's Ordinary Voting Shares and Ordinary Non-Voting Convertible Shares during the preceding three (03) months are given below:

Month	Highest Price (Rs.)		Lowest Price (Rs.)		Last Traded Price (Rs.)		Volume Traded		No. of Trades	
	V	NV	V	NV	V	NV	V	NV	V	NV
June 2026	321.50	410.00	304.00	319.00	317.25	406.50	3,231,584	14,938	2,910	342
July 2026	319.50	439.00	301.50	321.00	302.00	400.00	3,539,456	6,756	3,170	260
August 2026	329.00	410.00	302.00	383.00	313.75	400.00	2,244,940	2,092	2,522	126
September 2026	314.75	407.00	302.00	370.00	304.00	391.00	2,061,726	4,434	3,274	214
V – Ordinary Voting Shares; NV – Ordinary Non-Voting Convertible Shares										

Closing Market price of the Ordinary Voting Share and Ordinary Non-Voting Convertible Share as of the date of the Circular, namely 15 October 2026, was Rs. 297.25 and Rs. 384.50, respectively.

7. CONTINUOUS DISCLOSURE REQUIREMENTS IN THE INTERIM FINANCIAL STATEMENTS AND THE ANNUAL REPORTS

The Company undertakes to continue to disclose the information as required under CSE Circular No.6/2026 dated 21 August 2026. Such disclosures shall be made in the following format prescribed in the aforesaid Circular in the Interim Financial Statements and Annual Reports of the Company from the date of raising funds, until the proceeds are fully utilized for achievement of the objectives of the Rights Issue. This shall include, where applicable, disclosures relating to investments made using unutilised funds and any unutilised funds advanced to related parties, in compliance with the requirements of the said Circular;

Rights Issue proceeds utilization as at [Date] [Month] [Year]

Objective No.	Objective/s as per Circular	Amount allocated as per Circular in Rs.	Proposed Date of Utilization as per Circular	Amount allocated upon the receipt of proceeds in Rs.(A)	As a % of Total Proceeds	Amount Utilized in the objective/ sub objective in Rs. [B]	% of Utilize against allocation [B/A]	Clarification if not fully Utilized (Whether the funds are deposited in a bank account/lent to a related party/ any other investment etc.)	Objective deviation from Circular (Yes/No)	Objective deviation informed to the market as per Appendix 8A	Details of deviation	Board approval date for the deviation in objective/ confirmation of full utilization of funds by Board (Board resolution extract to be submitted)
1.	Expand loans and advances portfolio by supporting customer acquisitions across new markets, industries, geographies											
2.	Expand loans and advances portfolio by introducing new products to existing customers, financing customers' business expansion plans	13,867,522,230.00										

In the event the funds raised through the Rights Issue have been fully utilized by the Company as disclosed in the Circular to Shareholders between two (02) financial periods, the Company shall disclose such fact in the immediate succeeding Annual Report or the Interim Financial Statement, whichever is published first. In terms of the CSE Circular No. 06/2026 dated 21 August 2026, after full utilization of rights proceeds, the Company will

submit a duly certified extract of a Board Resolution, explicitly authorizing the statement that the funds raised through public fund generation has been fully utilized in accordance with the objectives stated in this Circular to Shareholders, at the point of submission of the interim and/or audited financial statements and/or the Annual Report.

In the event there are any deviations in the circumstances and the proceeds are not utilized as proposed and approved by the shareholders, the Company may utilize the funds appropriately, subject to complying with the applicable procedures and requirements set out in the CSE Listing Rules, including making the requisite market announcement and obtaining the sanction of the shareholders in relation thereto at a General Meeting.

8. DIVIDEND HISTORY FOR THE PREVIOUS THREE (03) YEARS

The dividend history of the Company for the last three (03) years is as follows:

Dividend Paid (Gross)	Year 2023/2024	Year 2024/2025	Year 2025/2026
Value (Rs.)	1,598,099,800	2,120,301,606	2,314,462,374
Dividend Payout Ratio – % [Dividends / Net Profit After Tax]	14.4%	12.8%	12.3%
Dividends Per Share: Ordinary Voting Share (Rs.)	5.0	6.5	7.0
Ordinary Non-Voting Convertible Share (Rs.)	5.0	6.5	7.0
Nature of Dividend paid	Cash –Rs.2.50 Scrip–Rs.2.50	Cash –Rs.3.25 Scrip–Rs.3.25	Cash –Rs.3.50 Scrip–Rs.3.50

9. CONTINGENT LIABILITIES AND LITIGATION

There are no material changes to the contingent liabilities and litigation as disclosed in the Company's Audited Financial Statements as of 31 December 2025.

10. UNDERWRITING ARRANGEMENTS

The proposed Rights Issue is not underwritten, and the Company has not stipulated a minimum level of subscription for the Rights Issue in connection with the objectives of the Rights Issue as stated in Section 2. As of the date of this Circular, the Company has not received any formal commitment from any shareholder to subscribe for Rights Shares under the Rights Issue.

In the event of an under-subscription, all valid applications for additional Rights Shares shall be satisfied, to the extent of the shares applied for. Applications for additional Rights Shares will be considered from the balance Rights Shares remaining unsubscribed and for Rights Shares for which valid payments have not been received, together with any whole shares arising from the aggregation of fractional entitlements, as set out in Section 12 of this Circular. As of the date of this Circular, the Company has not been informed of any party who has intimated their intentions to apply for unsubscribed Rights Shares under the issue.

The proceeds finally raised will be applied towards strengthening the Company's Common Equity Tier 1 capital base and supporting the growth of its loans and advances portfolio predominantly covering term and working capital loans, in accordance with the objectives set out in Section 2 of this Circular.

In the unlikely event of an under-subscription, the Company will continue to pursue its growth strategy within its prevailing capital capacity and applicable regulatory requirements. While the Company may not benefit from the full incremental growth capacity anticipated from a fully subscribed Rights Issue, an under-subscription is not expected to pose a material risk to its ongoing operations or the Company's ability to continue its growth trajectory. The Company will revise the scale and timing of its internal growth and capital deployment plans based on the proceeds actually raised.

11. FEATURES OF ORDINARY NON- VOTING CONVERTIBLE SHARES

Subject to the restrictions imposed by the CBSL in respect of shareholdings carrying voting rights, the holders of the 45,467,286 Ordinary Non-Voting Convertible Shares to be issued pursuant to the Rights Issue shall be entitled, at their option, to convert all or any part of such shares into Ordinary Voting Shares on the basis of one (01) Ordinary Voting Share for every one (01) Ordinary Non-Voting Convertible Share held, without the payment of any additional consideration at the time of conversion, in accordance with Section 15 and the procedure set out in the Annexure I below. Alternatively, such holders may continue to hold the Ordinary Non-Voting Convertible Shares without any limitation as to the time.

The holder of an Ordinary Non-Voting Convertible Share prior to conversion as aforesaid,

- (i). shall have no voting right;
- (ii). shall have the right to an equal share, in any form of distribution made by the Company as an Ordinary Voting Share, including dividends paid by the Company on the Ordinary Voting Share;
- (iii). shall have the right to an equal share in the distribution of the surplus assets of the Company on liquidation as an Ordinary Voting Share;
- (iv). shall have no nominal or par value; and
- (v). shall be freely transferable upon the shares being listed, in the manner provided by the Articles of Association of the Company.

The Ordinary Non-Voting Convertible Shares after their final allotment shall rank *pari passu* in all respect with each other, and with the existing Ordinary Non-Voting Convertible Shares in issue, including the right to an equal share in dividends declared and paid by the Company after the final allotment and the option to convert the shares into Ordinary Voting Shares at the end of each calendar quarter, at a conversion ratio of one (01) Ordinary Voting Share for every one (01) Ordinary Non-Voting Convertible Share. The conversion shall be at the option of the holder of the Ordinary Non-Voting Convertible Share(s), with no time limitation for conversion.

12. APPLICATION FOR RIGHTS AND PROVISIONAL ALLOTMENT

- (i). The Rights will be provisionally allotted as at the end of trading on the Record Date (2nd Market Day from and excluding the date of the EGM), i.e. 18 November 2026.
- (ii). The new Rights Shares, not duly subscribed for as at the Last Date of Acceptance and Payment will be deemed to have been declined.
- (iii). The Letters of Provisional Allotment, in respect of the new Rights provisionally allotted to shareholders under the Rights Issue, with provision for renouncing in favour of CDS, will be dispatched to the shareholders on 26 November 2026. The manner in which the Provisional Allotment should be dealt with will be fully set out therein. The shareholders must strictly adhere to the instructions therein in respect of acceptance, renunciation and when applying for additional Rights Shares.
- (iv). Applications for additional Rights Shares will be permitted. However, such additional Rights Shares will be available for allotment only in the event any of the existing shareholders do not take up their Rights entitlement in part or in full or if the Letter of Acceptance and Registration of Rights shares are rejected by the Company as being invalid. Subject thereto, additional Rights Shares that are applied for will be given effect on a reasonable basis to be decided by the Board of Directors of the Company. The basis of allotment of additional Rights Shares will be decided subsequent to determining the number of unsubscribed Rights Shares pooling together with any fractional Rights Shares arising from the provisional allotment.
- (v). In the event of an oversubscription, the Board of Directors of the Company reserves the absolute right to accept or reject, in whole or in part, any application for additional Rights Shares. Any fractional share entitlements shall be treated as declined, and the whole new Rights Shares arising from the aggregation of such fractions shall be available for allotment, at the same issue price, to the shareholders who have applied for additional Rights Shares.
- (vi). Pursuant to a Direction issued by the Securities and Exchange Commission of Sri Lanka ('SEC') pertaining to the de-materialization of listed securities, the shareholders who hold shares in scrip form (i.e. Share Certificates) as per the Share Register maintained by the Registrar of the Company (i.e. SSP Corporate Services (Pvt) Ltd) will not be issued Share Certificates for the new shares allotted and issued in their favour. Such shareholders are accordingly requested to open an account with the CDS and to deposit their existing Share Certificates in the CDS prior to the EGM of the Company. This will enable the Company to deposit the new shares directly into the shareholder's CDS account.
- (vii). The shares allotted in respect of the Letters of Acceptance which do not carry an accurate CDS Account Number or where no CDS Account has been given, such shares will not be uploaded to the CDS Account on the date specified by the Rules of the CSE. They will only be registered in the share ledger maintained by the Registrars of the Company and will not be issued Share Certificates. Such Shareholder would not be able to trade with the new Ordinary Non-Voting Convertible Shares arising from the Rights Issue until such time such shares are deposited into the CDS Account. Subsequent to opening a CDS Account, the shareholders should inform the Registrars of the Company their CDS Account number in writing to which account the shares will then be uploaded and such requests will be processed on a weekly basis. Therefore, please ensure strict adherence to the Directives issued by the SEC.

(viii). In allotting the Rights Shares provisionally, the shareholding appearing in the CDS and the Shareholders' Register maintained by the Registrars of the Company will be amalgamated in so far as the National Identity Card, Passport and Company Registration numbers of such shareholders are available for identification purposes. If there is a discrepancy between the CDS information given in the Letter of Acceptance and Registration and the CDS Account Number maintained at the CDS, the number maintained at the CDS will be taken as correct.

(ix). All incomplete applications and applications with incorrect details will be rejected.

13. DATES FOR THE RIGHTS ISSUE

- (i). Subject to the shareholders' approval being obtained, the date of provisional allotment shall be the same date as the Record Date, i.e. 18 November 2026 (which is the second (2nd) Market Day from and excluding the date of the EGM). In allotting the shares provisionally, the shareholding as appearing in the CDS and the share ledger maintained by the Registrars of the Company, as at end of trading on the Record Date, will be combined.
- (ii). The Rights entitlement of the shareholders whose shares are held in CDS will be directly uploaded to their CDS account within three (03) Market Days from and excluding the Record Date i.e. 23 November 2026.
- (iii). The Letters of Provisional Allotment will be dispatched by post to the shareholders by the Company on 26 November 2026, being the fifth (5th) Market Day from and excluding the Record Date.
- (iv). The Company's shares shall trade ex-rights (XR) from the Market Day immediately following the date on which the related Special Resolution is passed by the shareholders at the EGM, i.e. 17 November 2026.
- (v). The Last Date for Acceptance and Payment for Rights Shares shall be 14 December 2026 being the twelfth (12th) Market Day from and excluding the date of dispatching/making available the Letters of Provisional Allotment, i.e. 26 November 2026.
- (vi). The cheques received in respect of Rights Entitlements may be banked upon receipt, and the cheques received in respect of applications for additional Rights Shares will be banked only after the Last Date of Acceptance and Payment.
- (vii). Refunds in respect of rejected applications for shares shall be paid as expeditiously as possible but not exceeding ten (10) Market Days from the Last Date of Acceptance and Payment. Refunds will be made by way of cheque, unless the applicant has provided accurate and complete details of his/her bank account in the application, in which event the Company shall make such payment thereto, through SLIPS and payment advice shall be issued to the applicant. Cheque payments will be dispatched to the shareholders by ordinary mail. Applicants shall be entitled to interest calculated on the last quoted Weighted Prime Lending Rate (AWPLR) published by the CBSL + 5% on any refund amount not paid within the aforesaid period of ten (10) Market Days from the Last Date of Acceptance and Payment.
- (viii). The Rights Shares may be renounced to the CDS only. The period of renunciation shall not exceed nine (09) Market Days from and excluding the date of dispatch/making available the Provisional Letters of Allotment.
- (ix). Trading of Rights shall commence on the fourth (04th) Market Day (i.e. on 2 December 2026) from and excluding the date of dispatching/making available the Letters of Provisional Allotment. Such trading shall continue throughout the period of renunciation to the CDS.

- (x) The new Ordinary Non-Voting Convertible shares will be directly deposited into the respective shareholders' CDS accounts within ten (10) Market Days from the Last Date of Acceptance and Payment, and that the relevant shareholders will be notified of such direct deposit within two (2) Market Days thereafter.

14. DECLARATIONS IN RESPECT OF THE PROPOSED RIGHTS ISSUE

- (i). The Company has obtained the approval in principle of the CSE for the proposed Rights Issue and to issue and list the new Ordinary Non-Voting Convertible Shares arising therefrom and listing of the Ordinary Voting Shares arising upon conversion of the Ordinary Non-Voting Convertible Shares.
- (ii). The Company complies with Rule 5.1.1.c of the Listing Rules of the CSE that the total value of all the other classes of shares issued at any given time including the issuance of 45,467,286 Ordinary Non-Voting Convertible shares shall not exceed fifteen percent (15%) of the Company's shareholder funds.
- (iii). The Company confirms that no other regulatory approval is required for the proposed Rights Issue, other than the approval of its shareholders.
- (iv). The listing of the Ordinary Non-Voting Convertible Shares resulting from Rights Issue 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 and shall not be liable for any omissions and undisclosed information.
- (v). The Directors of the Company collectively and individually accept full responsibility for the accuracy and completeness of the information given herein 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 this Circular misleading.

15. CONVERSION OF ORDINARY NON-VOTING CONVERTIBLE SHARES TO ORDINARY VOTING SHARES

The Company will facilitate the conversion by re-classification of the Ordinary Non-Voting Convertible Shares to Ordinary Voting Shares by the addition of the Voting Rights and the listing of the shares so converted through the CSE, pursuant to applications for such conversion by the holders of Ordinary Non-Voting Convertible Shares on a Calendar quarter basis. An announcement would be made by the Company to such effect in the first week of the commencement of a quarter, (namely, in January for the quarter ending March, in April for the quarter ending June, in July for the quarter ending September, in October for the quarter ending December) on the trading floor of the CSE, which announcement will be hosted on the Company page of the CSE Website.

When converting Ordinary Non-Voting Convertible Shares into Ordinary Voting Shares, such conversion shall be subject to the obligation of the Board of Directors of the Company to ensure, that the Company complies with provisions containing in the Banking Act, No. 30 of 1988 (as amended) and the Directions thereof in respect of limitations of ownership of capital carrying voting rights in Licensed Commercial Banks.

The procedure to be adopted for the conversion of Ordinary Non-Voting Convertible Shares to Ordinary Voting Shares of Company is set out in detail in the Annexure I hereto.

16. ADDITIONAL INFORMATION

The Top 20 Ordinary Voting Shareholders as at 30 September 2026 are set out below;

	Name	Number of Ordinary Voting Shares	% on voting share capital
1	John Keells Holdings PLC	56,897,473	19.72%
2	HWIC Asia Fund	43,275,032	15.00%
3	Central Finance Company PLC A/C No 03	28,391,533	9.84%
4	Mackinnons Keells Limited	28,164,245	9.76%
5	Amaliya Private Limited	17,251,083	5.98%
6	CF Insurance Brokers (Pvt) Ltd	14,301,434	4.96%
7	CF Growth Fund Ltd A/C No.01	14,204,489	4.92%
8	Thread Capital (Private) Limited	10,819,556	3.75%
9	J.B. Cocoshell (Pvt) Ltd	5,060,937	1.75%
10	Hatton National Bank PLC A/C No 1	4,568,843	1.58%
11	Hatton National Bank PLC – Capital Alliance Quantitative Equity Fund	3,203,018	1.11%
12	Mr. M.F. Hashim	2,000,000	0.69%
13	Mr. W.G.D.C. Ranaweera	1,892,996	0.66%
14	Mr. L.J.M.A. Jayasundara	1,800,000	0.62%
15	Mr. N.R. Somaiya	1,629,173	0.56%
16	Akbar Brothers Pvt LTD	1,001,220	0.35%
17	Mr. Y.S.H.R.S. Silva	993,883	0.34%
18	Mr. M.A. Jafferjee	982,821	0.34%
19	Rosewood (Pvt) Limited–Account No.1	795,049	0.28%
20	Mr. L. J. M. C . C. Jayasundara	789,888	0.27%
	Other	50,468,875	17.52%
	Total Number of Voting Shares of the Company	288,491,548	100%

The Top 20 Ordinary Non-Voting Convertible Shareholders as at 30 September 2026 are set out below;

	Name	Number of Ordinary Non-Voting Convertible Shares	% on Ordinary Non-Voting Convertible share capital
1	John Keells Holdings PLC	18,578,702	41.35%
2	Central Finance Company PLC A/C No 03	9,430,274	20.99%
3	HWIC Asia Fund	6,742,513	15.00%
4	Mackinnons Keells Limited	4,842,603	10.78%
5	CF Insurance Brokers (Pvt) Ltd	2,459,008	5.47%
6	CF Growth Fund Ltd A/C No.01	2,442,339	5.44%
7	Mr. M.G.H.I. Jafferjee	156,628	0.35%
8	Mr. K.N.J. Balendra	22,840	0.05%
9	First Capital Asset Management/ Dilhan Crishantha Fernando	18,045	0.04%
10	Vinik (Pvt) Limited	14,843	0.03%
11	The Incorporated Trustees of The Church of Ceylon	13,105	0.03%
12	Mr. C.R. Narangoda	12,877	0.03%
13	People's Leasing & Finance PLC/Mr.A.B.K. Weeraman	12,193	0.03%
14	Miss N.R. Fonseka	10,000	0.02%
15	Mr. S.J. Hirdaramani	9,603	0.02%
16	Mr. K.O.V.S.M.S. Wijesinghe	8,406	0.02%
17	Mr. H.P. Savidu	7,887	0.02%
18	Miss T.T. Weerasinghe	7,419	0.02%
19	Mr. J.C.H. De Soysa	6,042	0.01%
20	Mr. M.J. Harshana	5,596	0.01%
	Other	134,295	0.29%
	Total Number of Non-Voting Convertible Shares of the Company	44,935,218	100%

Shareholders' attention is drawn to the Audited Financial Statements of the Company for the year ended 31 December 2025 and Interim Financial Statements for the Six (06) months ended 30 June 2026, which are hosted on the Company's website and the CSE website.

17. SHAREHOLDER APPROVAL REQUIREMENTS FOR THE RIGHTS ISSUE

Since the Ordinary Non-Voting Convertible Shares are being offered to existing holders of Ordinary Voting Shares and Ordinary Non-Voting Convertible Shares in proportion to their respective shareholdings, the proposed issue would result in a dilution of the proportionate interests of the existing holders of Ordinary Non-Voting Convertible Shares, even if they subscribe for their full entitlements.

Given the fact that the Ordinary Non-Voting Convertible Shares, having a convertible option, are offered to the existing Ordinary Voting shareholders and Ordinary Non-Voting Convertible shareholders for subscription based on their existing shareholding, if in the event all the shareholders subscribe for the Rights, and exercise the convertible option together, there would be no impact on the Voting Rights on the existing Ordinary Voting shareholders. However, depending on each shareholders' decision to subscribe for the Rights / timing of exercising the option for conversion to Ordinary Voting Shares, may dilute such individual shareholders' Voting Rights / strength.

Accordingly, the approval by way of a Special Resolution of the Ordinary Non-Voting Convertible Shareholders and Ordinary Voting Shareholders is required for the proposed Rights Issue.

18. PAYMENTS BY NON-RESIDENT SHAREHOLDERS

Non-Resident Shareholders are required to make payments for rights through their Inward Investment Account (IIA). More details will be set out in the Provisional Letter of Allotment which would be dispatched to the Shareholders, once the Rights Issue is approved by the Shareholders at the EGM to be convened by the Company.

19. DIRECTORS' RECOMMENDATION

The Board of Directors of the Company recommends the Rights Issue in the manner aforesaid, for approval by the shareholders at an EGM convened for 16 November 2026 through an online- virtual platform.

20. THE EXTRAORDINARY GENERAL MEETING

The EGM, in order to obtain approval of the shareholders in respect of the proposed Rights Issue of Shares will be held on 16 November 2026. The Notice convening the EGM, to be conducted through an online-virtual platform is attached hereto setting out the requisite Special Resolution to be passed by the shareholders in order to give effect to the Rights Issue.

21. FORM OF PROXY

The Shareholders who are unable to attend the online-virtual EGM are kindly requested to complete the enclosed Form of Proxy, in accordance with the instructions specified therein, and return to the Company in accordance with the instructions given therein.

Duly completed and valid Forms of Proxy submitted to the Company as per the instructions given therein will enable the Proxy to represent the respective shareholder at the EGM and exercise the shareholder's rights in accordance with such shareholder's directions.

Yours faithfully,
By Order of the Board of NATIONS TRUST BANK PLC



Peshala Attygalle
General Counsel/Company Secretary

On this 15 October 2026

**PROCEDURE FOR CONVERSION OF ORDINARY NON-VOTING CONVERTIBLE SHARES TO
ORDINARY VOTING SHARES**

The Company proposes to adopt the following procedure which will be completed within twenty two (22) market days of an end of a quarter. This process is handled by P W Corporate Secretarial (Pvt) Ltd, who is in charge of processing the applications for conversion of shares for an on behalf of the Company.

1. Immediately upon the Listing of the Ordinary Non-Voting Convertible Shares, on the trading floor of the CSE, an "Application for Conversion" given below will be hosted on the Company's website and the CSE website.
2. At the end of a Calendar quarter (end of Trading) (identified for conversion), the Company will take an entitlement schedule. The shareholders holding Ordinary Non-Voting Convertible Shares, as at end of Trading on such Calendar quarter end, shall be entitled to convert their Ordinary Non-Voting Convertible Shares to Ordinary Voting Shares, by the alteration of the rights of the Ordinary Non-Voting Convertible Shares so converted, with the addition of the right to vote in terms of Section 99(1) read together with Section 99(2) of the Companies Act, No.7 of 2007 (as amended).
3. Shareholders holding Ordinary Non-Voting Convertible Shares, who decide to exercise the option to convert, are required to fill the Application for Conversion, and submit the same to be received by P W Corporate Secretarial (Pvt) Ltd within Three (03) Market days, from the end of the Calendar quarter (excluding last day of the Calendar quarter; provided further that if the last day of the Calendar quarter falls on a non-Market Day, the entitlement date for conversion shall be end of Trading, of the last Market Day of such Calendar quarter). Applications for Conversion received after the period aforesaid will be processed for conversion, in the following quarter, based on such Ordinary Non-Voting Convertible shareholders details appearing in the Entitlement Schedule as of the following quarter end.
4. On receipt of Applications for Conversion as set out in 3 above upon being satisfied that the Applications are properly completed, such applications will be forward to the CDS, within Four (04) Market Days, following the Three (03) Market Days referred to in 3 above.
5. The CDS shall upon receipt of the properly completed Applications for Conversion, as referred to in 4 above as instructed by the holder of the Ordinary Non-Voting Convertible Shares, in the Application for Conversion, place the Shares as applied, for conversion in the 'Locked Balance' of the Applicant, prior to such conversion.
6. The CDS shall confirm to the P W Corporate Secretarial (Pvt) Ltd that the CDS has completed the placement of the Ordinary Non-Voting Convertible Shares [for which Notice of Application for conversion has been received], as instructed by the Applicants for conversion of shares, into the Locked Balance of the Applicant as stated above, prior to conversion within Seven (07) Market days following the Four (04) Market days referred to in 4 above.

7. The Company shall thereupon by a Resolution of the Board of Directors, convert/ re-classify the Ordinary Non-Voting Convertible Shares in the Locked Balances of the CDS of the Applicants as referred to in 5 above as Ordinary Voting Shares, and forward such Resolution to the CDS within Two (02) Market days to facilitate the CDS to re-classify the Ordinary Non-Voting Convertible Shares lying in the Locked Balances of the Applicants for conversion as Voting Ordinary Shares, which will be completed within Five (05) Market days, following the aforesaid Two (02) Market days.
8. On the Immediate Market Day after the Five (05) Market Days referred to in 7 above, the Company shall submit a Declaration to the CSE for the listing of the Ordinary Voting Shares arising from such conversion/reclassification of the Ordinary Non-Voting Convertible Shares into Ordinary Voting Shares.
9. Upon completion of 8 above, the number of listed Ordinary Voting Shares will increase while the equivalent number of listed Ordinary Non-Voting Convertible Shares shall decrease.
10. The above procedure will be repeated quarterly, so long as there remain shareholders holding Ordinary Non-Voting Convertible Shares.

**FORM OF APPLICATION FOR THE CONVERSION OF ORDINARY NON-VOTING CONVERTIBLE
SHARES INTO ORDINARY VOTING SHARES**

NATIONS TRUST BANK PLC
(Company Registration No. PQ 118)
No.46/58, Nawam Mawatha,
Colombo 02

(To be completed by the Shareholders of Nations Trust Bank PLC who wish to convert partly or fully their Ordinary Non-Voting Convertible Shares into Ordinary Voting Shares)

Important – This Application with the attached Letter of Authorization to CDS must be received by the P W Corporate Secretarial (Pvt) Ltd, who is in charge of processing the applications for conversion of shares for an on behalf of the Bank- by 4.30 p.m. on the Third (03rd) Market Day, after the end of the Calendar quarter for which Application is made. Applications received after 4.30 p.m. on the Third (03rd) Market Day would be kept for processing for the Calendar quarter following the quarter for which the delayed Application was made.

1. The Calendar quarter in respect of which the Application for Conversion is made:
The Calendar quarter ended *..... 20....
**(Please indicate here the relevant Calendar quarter for which Application for Conversion is made)*
2. I/We the undersigned, hereby make Application to convert the number of Ordinary Non-Voting Convertible Shares held by me / us as set out in Section 5 hereof in to an equal number of Ordinary Voting Shares.
3. My/our full name(s), address(es) and National Identity Card/Passport No.(s)/Company Registration No.(s) are given below :

(a) First named/only holder	
Full Name :	
National Identity Card/Passport/ Company Registration No. :	
Address :	
Telephone No:	

Other joint holders, if any -	
Full Name :	
National Identity Card/Passport/ Company Registration No. :	
Address :	
Telephone No:	

Full Name :	
National Identity Card/Passport/ Company Registration No. :	
Address :	
Telephone No:	

4. For the purposes of the Exchange Control Act, I/We hereby declare that (please tick as is applicable to you).

- ☐ (i) I am a/We are citizen(s) of Sri Lanka, resident in Sri Lanka or a Private/Public Company /Corporation incorporated in Sri Lanka
- ☐ (ii) I am a/We are citizen(s) of Sri Lanka, resident outside Sri Lanka or non citizen of Sri Lanka or a Company/Corporation incorporated outside Sri Lanka. I/ We give below details of the Principal Shareholder's Securities Investment Account (SIA)/ Inward Investment Account (IIA) through which the Ordinary Non-Voting Convertible Shares were purchased.
- (a) Name and Branch of Bank
- (b) Account No.
- ☐ (i) I/We further confirm that the Ordinary Non-Voting Convertible Shares tendered for conversion were purchased from proceeds channelled through the aforesaid SIA/IIA.

5. The Ordinary Non-Voting Convertible Shares of Nations Trust Bank PLC, belonging to me/ us, and tendered for conversion are held by me/us are as follows:-

Number of Ordinary Non-Voting Convertible Shares tendered for conversion, registered in the Banks share ledger in my/our name (s)	Number of Ordinary Non-Voting Convertible Shares tendered for conversion, registered in my/our name (s) with the CDS	Total number of shares

6. I/We who's aforesaid Ordinary Non-Voting Convertible Shares are deposited in the CDS hereby instruct the Bank to deposit the Ordinary Voting Shares arising from the conversion of the Ordinary Non-Voting Convertible Shares to my CDS Account referred to in the attached "Letter of Authorization to CDS".
7. I/We who's aforesaid Ordinary Non-Voting Convertible Shares are Registered in the Bank's Share Ledger understands that as per the Directive of Securities and Exchange Commission (SEC) under Circular No.08 / 2010 dated 22 November, 2010, and Circular No.13 /2010 issued by the CDS dated 30 November, 2010 the Ordinary Voting Shares arising from the conversion of the Ordinary Non-Voting Convertible Shares will not be issued share certificates and that consequently the Ordinary Voting Shares, will be uploaded upon I/We forwarding my/our CDS Account details to the Bank.

(The uploads of Ordinary Voting Shares arising from the conversion upon the Bank receiving CDS Account information after completion of processing conversions / uploads on a particular Calendar quarter, would be done on a weekly basis thereafter. The aforesaid uploads to be effected on a weekly basis is only applicable for those shareholders who do not have valid CDS Account/s as at conversion).

8. Yours faithfully, Signed by the above named in the presence of;

(a)	(b)	(c)
This..... day of20....	This.... day of20....	This.... day of20....
Signature of First/only holder and date of such signature in the presence of	Signature of First/joint holder and date of such signature in the presence of	Signature of First/joint holder and date of such signature in the presence of
Signature of Witness	Signature of Witness	Signature of Witness
Name and Address of Witness	Name and Address of Witness	Name and Address of Witness

Instructions as to completion of Form of Application for Conversion

1. Section 1 of the Form of Application
Please indicate the Calendar quarter for which Application is made for conversion.
2. Section 3 of the Form of Application
Please indicate here, Full Names, National Identity Card/Passport/Company Registration numbers and addresses of all the shareholders, Telephone No. (Optional) should be given in the space(s) provided.
3. Section 4 of the Form of Application
The declaration to be completed by each shareholder of Nations Trust Bank PLC for the purposes of the Exchange Control Act, by deleting whichever is inapplicable. A person who is unable to make such declaration should contact the P W Corporate Secretarial (Pvt) Ltd, whose details are set out in Paragraph 8 below, for advice. Such person/s would be required to obtain the necessary approvals from the Department of Foreign Exchange of the Central Bank of Sri Lanka where applicable under prevailing foreign exchange laws and regulations.
4. Section 5 of the Form of Application
Please indicate here the number of Ordinary Non-Voting Convertible Shares tendered for conversion identifying separately, the shares as recorded in the Register of Shareholders and as recorded in the CDS.

IMPORTANT – When converting Ordinary Non-Voting Convertible Shares into Ordinary Voting Shares, the conversion shall be subject to the obligation of the Board of Directors of the Bank to ensure, that the restrictions imposed by the CBSL in respect of shareholdings carrying voting rights are complied with.
5. Section 8 of the Form of Application
Each shareholder must sign the Form of Application in the presence of a witness who is not another joint holder and the witness must also sign and state his/her name and address in the space(s) provided. In the case of joint shareholders, all shareholders should sign the Form of Application.

In the case of a corporate shareholder, the Form of Acceptance should be signed in accordance with the Articles of Association / Statute.

If the Form of Acceptance is signed under a Power of Attorney, the Original Power of Attorney or a copy thereof certified by an Attorney-at-Law should be sent to the P W Corporate Secretarial (Pvt) Ltd together with the Form of Acceptance.
6. Letter of Authorization to CDS
Shareholders holding Ordinary Non-Voting Convertible shares in the CDS shall also complete the attached Letter of Authorization to CDS, which Form must be authorized by the Broker with whom the relevant CDS Account is maintained to facilitate the processing of the request for conversion, by the CDS.

7. **Incomplete / Incorrect Application**

Applications which are incomplete / incorrect will be rejected, and returned to the Applicant by Registered Post, to the Address Registered with the Bank/CDS within Fifteen (15) Market Days of the end of the particular quarter.

8. The completed "Form of Application for Conversion of Ordinary Non-Voting Convertible Shares into Ordinary Voting Shares", together with the "Letter of Authorization to CDS" should be forwarded to the P W Corporate Secretarial (Pvt) Ltd, No.3/17, Kynsey Road, Colombo 08, Telephone – 011 4640360 –3 (Ext. 202), [Ms. Anusha Wijesekara –Director] who would be processing the Applications for Conversion in to Ordinary Voting Shares.

9. **Important –**

This Application together with the attached Letter of Authorization to CDS must be received by P W Corporate Secretarial (Pvt) Ltd – by 4.30 p.m. on the Third (03rd) Market Day, after the end of the Calendar quarter for which Application is made. Applications received after 4.30 p.m. on the Third (03rd) Market Day would be kept for processing for the Calendar quarter following the quarter for which the delayed Application was made.

LETTER OF AUTHORISATION TO CDS

IMPORTANT

To be completed by all Shareholders of Nations Trust Bank PLC who wish to convert partly or fully their Ordinary Non-Voting Convertible Shares into Ordinary Voting Shares irrespective of whether their Shares identified for conversion is in the Locked Balance or Trading balance, to facilitate the Nations Trust Bank PLC to convert the shares as requested in to Ordinary Voting Shares.

[This letter should be forwarded to the PW Corporate Secretarial (Pvt) Ltd appointed by the Bank for processing Application for Conversion. If you have more than one broker, kindly complete a separate form for each Broker. You may use photocopies of this Form for such purpose]

Date

The Manager
Central Depository Systems (Pvt) Ltd
Colombo Stock Exchange
#4-01, West Block
World Trade Centre
Echelon Square
Colombo 1

Dear Sir

AUTHORITY TO CDS

CDS Account No. - - -

Name of Broker -

Name of Company - Nations Trust Bank PLC

*Number of Ordinary

Non-voting Convertible

Shares for which -

Application for conversion

is made

I/we write to advise you that I/we have decided to convert my/our afore-stated Ordinary Non-Voting Convertible Shares belonging to me/us and deposited with the Central Depository System (CDS).

Note : * Indicate here the same number of shares indicated by you in the Form of Application for Conversion of Ordinary Non-Voting Convertible Shares in to Ordinary Shares (attached hereto)

I/We accordingly authorize you to, upon submission to you, of this Form of Application for the Conversion of Ordinary Non-Voting Convertible Shares into Ordinary Voting Shares by P W Corporate Secretarial (Pvt) Ltd for and on behalf of Nations Trust Bank PLC,

(1) to transfer my aforementioned number of shares in to a Locked Balance from the Trading Balance, prior to the conversion as requested by me, (if already not in the Locked Balance), and confirm to P W Corporate Secretarial (Pvt) Ltd for and on behalf of Nations Trust Bank PLC, that the aforesaid shares are in my Locked Balance to facilitate the Board of Directors of Nations Trust Bank PLC, to convert / re-classify the aforesaid Ordinary Non-Voting Convertible Shares as Ordinary Voting Shares, thereby replacing my aforesaid Ordinary Non-Voting Convertible Shares, with an equivalent number of Ordinary Voting Shares, in my aforesaid CDS Account with the Central Depository System.

(2) to confirm to the P W Corporate Secretarial (Pvt) Ltd for and on behalf of Nations Trust Bank PLC, that the aforesaid shares are in my Locked Balance , to facilitate the Board of Nations Trust Bank PLC, to convert / re-classify the aforesaid Ordinary Non-Voting Convertible Shares as Ordinary Voting Shares, thereby replacing my aforesaid Ordinary Non-Voting Convertible Shares, with an equivalent number of Ordinary Voting Shares, in my aforesaid CDS Account with the Central Depository System.

Yours faithfully,

Name(s) of Shareholder(s)

Signature(s)

1

.....

2.

.....

3.

.....

Authorisation of Broker

We hereby give consent to the CDS carrying out the aforesaid instructions given by our above client

Name of Broker	
Name of Authorised Officer & Designation	
Authorised Signature & Stamp	
Date	

NOTE :

Upon obtaining the Authorisation of the Broker, these documents should be forwarded to the, P W Corporate Secretarial (Pvt) Ltd through your Broker, to be forwarded to the CDS, to facilitate carrying out of the Client's instructions.