



# John Keells Hotels PLC

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12 March 2026

Ms. Nilupa Perera,  
Chief Regulatory Officer,  
Colombo Stock Exchange,  
No. 04-01, West Block,  
World Trade Centre,  
Colombo 01.

Dear Madam,

**JOHN KEELLS HOTELS PLC (“Company”)**  
**CORPORATE DISCLOSURE – DIVESTMENT OF KANDY WALK INN LIMITED**

In terms of Section 8 of the Listing Rules of the Colombo Stock Exchange, we wish to announce that the Company entered into a binding agreement with Lavendish Leisure, the hospitality arm of the Dedigama Group (“Acquirer”), for the divestment of its total shareholding in Kandy Walk Inn Limited (“KWIL”) amounting to 98.39% of KWIL’s issued share capital, for a consideration amounting to Rs. 2.777 billion/-. KWIL is the owning company of the ‘Cinnamon Citadel’ hotel located in Kandy.

In line with the agreement with the Acquirer, ‘Cinnamon Citadel’ will continue to be managed under the ‘Cinnamon Hotels and Resorts’ brand for a minimum period of 12 months, subject to review thereafter.

The divestment is aligned with the asset light strategy of the hotels business and the commencement of operations of Kandy Myst by Cinnamon, the operating entity of which is 40% owned by the Company. Further, proceeds from the divestment will facilitate the optimum allocation of capital towards upgrading the hotel portfolio of the Company in line with the positioning and future outlook of these properties.

The transaction is expected to be completed by 31 March 2026.

A further announcement will be made upon completion of the transaction.

Yours faithfully,

**John Keells Hotels PLC**

A handwritten signature in blue ink, appearing to read 'Gihan Cooray'.

Gihan Cooray

Director