



CLUB PALM BAY

15th December 2023

Our Ref: SEC/MRL/766

Mr. R. Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
Level 4 – West Tower
World Trade Centre
Echelon Square
Colombo 1.

Dear Sir,

DISCLOSURE

We write in pursuance of Section 8 of the Listing Rules of the Colombo Stock Exchange and wish to inform of the following:

1. Reduction of Stated Capital

The Board of Directors of Marawila Resorts PLC ("the Company") have resolved on 15th December 2023, that subject to determination by the Company's Shareholders by a Special Resolution to be passed at an Extraordinary General Meeting of the Company to be held on 7th March 2024 that the Company's capital be re-structured by means of a reduction to its stated capital without effecting any change to the number of the Company's issued and fully paid ordinary shares and accordingly that:

- The Company's stated capital of Rupees One Billion Five Hundred and Sixty Five Million Three Hundred and Forty Six Thousand Seven Hundred and Seventy Eight (Rs.1,565,346,778/-) represented by Three Hundred and Fifty One Million Nine Hundred and Twenty Three Thousand Three Hundred and Eighty Nine (351,923,389) fully paid ordinary shares be reduced to Rupees Five Hundred and Fifty Million (Rs.550,000,000/-) represented by Three Hundred and Fifty One Million Nine Hundred and Twenty Three Thousand Three Hundred and Eighty Nine (351,923,389) fully paid ordinary shares; and
- The accumulated losses of the Company as of 31st March 2023 being Rupees One Billion Twenty Eight Million Two Hundred and Eighty Seven Thousand and Fifty Seven (Rs. 1,028,287,057/-) (as per the Audited Financial Statements for the year ended 31st March 2023) such aforesaid reduction be effected by writing off the accumulated losses of the Company against its stated capital to the extent of a sum of Rupees One Billion Fifteen Million Three Hundred and Forty Six Thousand Seven Hundred and Seventy Eight (Rs. 1,015,346,778/-) without effecting any change to the number of fully paid ordinary shares of the Company, which accumulated losses would, consequent thereto, be reduced to Rupees Twelve Million Nine Hundred and Forty Thousand Two Hundred and Seventy Nine (Rs. 12,940,279/-).

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The Circular to shareholders and Notice of Meeting will be forwarded in due course.

The Company made an announcement on 1st December 2023 regarding the serious loss of capital faced by the Company and notified the shareholders of its intention to convene an Extraordinary General Meeting in compliance with the provisions of Section 220 of the Companies Act No. 7 of 2007. The proposed reduction of capital (which is subject to the approval of the shareholders) will also enable the Company to overcome the serious loss of capital situation.

The aforementioned Extraordinary General Meeting in relation to the Reduction of Stated Capital will be held on 7th March 2024 at 10.00 a.m. and will be conducted as a virtual meeting from 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01.

2. Convening of an Extraordinary General Meeting in terms of Section 220 of the Companies Act No. 7 of 2007

Further to the announcement made on 1st December 2023, please be informed that the Extraordinary General Meeting in terms of Section 220 of the Companies Act No 7 of 2007 will be held on 24th January 2024 at 10.00 a.m. and will be conducted as a virtual meeting from 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01.

The Circular to shareholders and Notice of Meeting in this connection will be forwarded shortly.

Yours faithfully,

By Order of the Board

MARAWILA RESORTS PLC

CORPORATE MANAGERS & SECRETARIES (PVT) LTD



Secretaries

TS/NN