

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE is hereby given that an Extraordinary General Meeting of Seylan Bank PLC will be held on Tuesday, 13th day of October, 2020 at 10.00 a.m. at the Auditorium of the Sri Lanka Institute of Tourism and Hotel Management, No.78, Galle Road, Colombo 03 for the following purpose:

"WHEREAS, the Board of Directors ("the Board") of Seylan Bank PLC ("the Bank") has decided to raise a maximum sum of Rupees Ten Billion (LKR 10,000,000,000/-) by way of a public issue to investors and qualified investors (as defined in the Circular to Shareholders accompanying this Notice):

- (i) Senior, Listed, Rated, Unsecured, Redeemable Debentures (*'Senior Debentures'*); and
- (ii) Basel III compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Debentures with a feature for Non-Viability Conversion to Ordinary Voting Shares by the Bank (*hereinafter will be referred to as 'Subordinated Debentures'*);

AND WHEREAS in the eventuality of a conversion of the Subordinated Debentures to Ordinary Voting Shares due to the occurrence of a Trigger Event, as explained in the Circular to Shareholders accompanying this Notice of Extraordinary General Meeting (EGM), approval of the shareholders is required by Special Resolution for the resultant issuance of the Ordinary Voting Shares in terms of Rule 2.2.1.(I) of the Listing Rules of the Colombo Stock Exchange and the pre-emptive right entitlement of the Shareholders under the Companies Act No. 7 of 2007.

AND WHEREAS it has become necessary to consider and if thought fit to pass the following as a **SPECIAL RESOLUTION**:

"That the Board of Directors ("the Board") of Seylan Bank PLC ('the Bank' or 'the Company') be and is hereby authorized:

- (i) to issue by way of a public issue limited to 'qualified investors' Fifty Million (50,000,000) Basel III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated Redeemable Debentures with a Non-viability Conversion to Ordinary Voting Shares by the Company (**hereinafter referred to as 'Subordinated Debentures'**) of LKR 100/- (Rupees Hundred) each amounting to Rupees Five Billion (LKR 5,000,000,000/-); with the option to issue further Thirty Million (30,000,000) Debentures of LKR 100/- (Rupees Hundred) each amounting to Rupees Three Billion (LKR 3,000,000,000/-) in the event of an oversubscription of such initial issue; and a further Twenty Million (20,000,000) Debentures of LKR 100/- (Rupees Hundred) each amounting to Rupees Two Billion (LKR 2,000,000,000/-), upon over subscription of the said second tranche of Thirty Million Debentures, at such interest rates as may be determined by the Board with a minimum maturity period of 5 (five) years and a maximum maturity period of 10 (ten) years, and that Ordinary Voting Shares of the Bank be issued to the holders of such Debentures to the extent of the amounts due and payable on such Subordinated Debentures (i.e. capital sum paid on the Subordinated Debentures plus outstanding interest) in the event the Monetary Board of the Central Bank of Sri Lanka determines that a Trigger Event has occurred;

- (ii) to issue upon the occurrence of a Trigger Event, Ordinary Voting Shares to the holders of such Subordinated Debentures in lieu of the amounts due and payable on relevant Subordinated Debentures (i.e. capital sum paid on the Subordinated Debentures plus outstanding interest) at the conversion price that would be determined based on the simple average of the daily Volume Weighted Average Price of an Ordinary Voting Share of the Bank as published by the Colombo Stock Exchange during the three (03) months period immediately preceding such Trigger Event and which said price mechanism at the point of non-viability conversion is fair and reasonable to the existing shareholders and the Bank;
- (iii) to issue upon the occurrence of a Trigger Event such Ordinary Voting Shares to the holders of such Subordinated Debentures on the aforesaid basis without such Shares in the first instance being offered to the then existing Ordinary Voting Shareholders or the Ordinary Non-Voting Shareholders of the Bank *pari passu* to their shareholding subject to regulatory approvals from, namely, the Central Bank of Sri Lanka, the Colombo Stock Exchange and the Securities and Exchange Commission of Sri Lanka being obtained, and;
- (iv) that the trading of such Subordinated Debentures in the secondary market to be subject to such limitations as may be imposed by the Colombo Stock Exchange."

**BY ORDER OF THE BOARD OF DIRECTORS OF
SEYLAN BANK PLC**



**(Mrs) N N Najumudeen
Company Secretary**

Colombo, 15th day of September, 2020

Note:

A member is entitled to appoint a Proxy to attend and represent on his/her behalf. A Proxy need not be a member of the Bank. A Form of Proxy is attached for the purpose. The instrument appointing a Proxy must be deposited at the Registered Office of the Bank at Seylan Towers, No. 90, Galle Road, Colombo 03, not less than forty eight (48) hours before the time fixed for holding of the meeting.

Attendees are kindly requested to bring his/her National Identity Card or any valid source of identification. (e.g. Driving Licence Passport) when attending the meeting.

Attendees are also expected to follow health and safety guidelines of the country in view of the Covid-19 pandemic.

Extraordinary General Meeting

FORM OF PROXY

I/We* of

being a shareholder/s of Seylan Bank PLC hereby appoint

Mr/Mrs/Miss*

(N.I.C.No.....) of

..... or failing him/her

Mr Wadugamudalige Marius Ravindra Srilal Dias of Colombo 05, whom failing
Mr Waduthanthri Darshan Kapila Jayawardena of Battaramulla, whom failing,
Ms Miriam Coralie Pietersz of Battaramulla, whom failing,
Mr Kapila Prasanna Ariyaratne of Colombo 03, whom failing,
Mr Paththayame Lekamalage Sisira Kumar Perera of Seeduwa, whom failing,
Mr Srikumaradas Viran Corea of Dehiwela, whom failing,
Mr Anushka Sheran Wijesinha of Colombo 05, whom failing
Ms Sandya Kumari Salgado of Panadura, whom failing
Mr Don Manuwelge Don Krishan Thilakaratne of Battaramulla, whom failing
Mr Darshan Ravindra Abeysuriya of Rajagiriya

as my/our* Proxy to represent me/us* on my /our* behalf at the Extraordinary General Meeting of the Company to be held on Tuesday, 13th October 2020 and at any adjournment thereof.

The following to be completed by Ordinary Voting Shareholder/s only

I/We* the undersigned hereby authorize my/our* Proxy to vote for me/us* and on my/our* behalf in accordance with the preferences as indicated below:

(**) FOR AGAINST

To pass as a **Special Resolution** authorizing the Board of Directors of Seylan Bank PLC to issue fully paid, Basel III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Debentures with a Non-viability Conversion as set out in the Notice of Extraordinary General Meeting.

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

.....
Shareholder/s' N.I.C/Co. Reg. No.

Signed this day of, 2020

(*Please delete the inappropriate words)

(**Please mark your preference with an "X")

Notes and Instructions as to the completion of the Form of Proxy are noted on the reverse hereof.

Handwritten signature

INSTRUCTIONS FOR THE COMPLETION OF FORM OF PROXY

1. *In terms of Article 63 of the Articles of Association of the Company the instrument appointing a proxy shall be in writing and*
 - a) *in the case of an individual be under the hand of the shareholder or his attorney or*
 - b) *if such shareholder is a company or corporation either under its common seal or under the hand of an officer or attorney authorized in that behalf in accordance with its Articles of Association or constitution.*

In terms of Article 69, a company or corporation being a member of the Company may appoint any of its officers or any other person to be its representative or proxy at any meeting or meetings of the company and any person so appointed shall be entitled to be present and vote and exercise all other powers in regard to any such meeting on behalf of the company or corporation which he represents as if he were a member holding the shares of such company or corporation.

The Company may, but shall not be bound to require evidence of the authority of any such attorney or representative officer.

2. *The full name and address of the shareholder should be filled in legibly on the form of proxy together with the National Identity Card Number/Passport/Company Registration Number (as applicable).*

Please indicate with an 'X' in the space provided as to how your proxy is to vote on the Resolution. If no indication is given, the proxy shall exercise his/her discretion and vote as he/she thinks fit.

3. *The completed Form of Proxy should be deposited at the Office of the Company Secretary at Level 15, Seylan Towers, No. 90, Galle Road, Colombo 03 not later than 48 hours before the time appointed for the holding of the Meeting.*
4. *If the Form of Proxy has been signed by an attorney, a certified copy of the Power of Attorney certified by a Notary Public should accompany the completed Form of Proxy for registration, if such Power of Attorney has not already been registered with the company.*
5. *If there is any doubt as to how the vote is to be exercised, by reason of the manner in which the Form of Proxy has been completed, no vote will be recorded by the Form of Proxy.*