

COMMERCIAL BANK OF CEYLON PLC
(Company Registration No. PQ 116)
"Commercial House", 21, Sir Razik Fareed Mawatha,
Colombo 1

NOTICE OF AN EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Commercial Bank of Ceylon PLC (the "Bank") will be held on Monday, August 9, 2021 at 10.30 a.m. at the Auditorium of Commercial Bank of Ceylon PLC, 9th Floor, Union Place Branch Building, No. 01, Union Place, Colombo 02, as a virtual meeting using a digital platform for the following purposes:

1. To consider and if thought fit to pass the following resolution by way of a Special Resolution pertaining to the approval of the proposed issue of Debentures in terms of Rule 2.2.1.i. of the Listing Rules of Colombo Stock Exchange (To be passed by the Ordinary Voting Shareholders):

THAT the Board of Directors (the "Board") of Commercial Bank of Ceylon PLC (the "Bank") be and is hereby authorized:

- i. To issue and allot up to One Hundred Million (100,000,000) fully paid, Basel III Compliant - Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Debentures ("Debentures") with a Non-viability Conversion feature at such interest rates as may be determined by the Board at the time of issue at a par value of Rs. 100/- each with a minimum maturity period of 5 years and a maximum maturity period of 7 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 Debentures (i.e. capital sum paid on the Debentures plus outstanding interest) in the event the Monetary Board of the Central Bank of Sri Lanka determines that a Trigger Event which warrants the conversion of Debentures to Ordinary Voting Shares as defined in the Circular to Shareholders dated July 14, 2021 pertaining to the proposed issue of Debentures has occurred; and
- ii. To issue upon the occurrence of a Trigger Event, Ordinary Voting Shares to the holders of the Basel III compliant Debentures at the Conversion Price with such price being 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) month period immediately preceding such Trigger Event;
- iii. To issue upon the occurrence of a Trigger Event such Ordinary Voting Shares to the holders of the Debentures on the aforesaid basis in lieu of the amounts due and payable on the relevant Debentures (i.e. capital sum paid on the Debentures plus outstanding interest) without such Shares being offered in the first instance to the then existing Ordinary Voting Shareholders of the Bank *pari passu* to their shareholding subject to regulatory approvals from, namely, the Central Bank of Sri Lanka and the Colombo Stock Exchange. Such Ordinary Voting Shares arising from the Non-viability Conversion will be listed on the Colombo Stock Exchange.

2. Subject to the passing of the Special Resolution set out under Resolution No.1 above, to consider and if thought fit to pass the following resolution by way of an Ordinary Resolution pertaining to the waiver of pre-emptive rights (To be passed by a separate vote of the Ordinary Voting Shareholders):

THAT the pre-emptive right to a new issue of shares provided for by Article 9 A of the Articles of Association of Commercial Bank of Ceylon PLC (the "Bank"), be and is hereby waived in respect of the relevant number of Ordinary Voting Shares to be issued by the Bank to the holders of the said fully paid, Basel III Compliant - Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Debentures ("Debentures") to the extent of the amounts due and payable on such Debentures (i.e. capital sum paid on the Debentures plus outstanding interest) in the event the Monetary Board of the Central Bank of Sri Lanka determines that a Trigger Event which warrants the conversion of Debentures to Ordinary Voting Shares as defined in the Circular to Shareholders dated July 14, 2021 pertaining to the proposed issue of Debentures has occurred, which shares shall be issued at the Conversion Price 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) month period immediately preceding such Trigger Event.

3. Subject to the passing of the Special Resolution set out under Resolution No.1 above, to consider and if thought fit to pass the following resolution by way of a Special Resolution in order to obtain approval for the issuance of Ordinary Voting Shares in pursuance of Article 10 of the Articles of Association of the Bank and Section 99 of the Companies Act No. 07 of 2007 (as amended) (To be passed by the Ordinary Voting Shareholders and the Ordinary Non-Voting Shareholders respectively):

THAT the prospective allotment and issue of new Ordinary Voting Shares by Commercial Bank of Ceylon PLC (the "Bank") to the holders of the said fully paid, Basel III Compliant - Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Debentures ("Debentures") to the extent of the amounts due and payable on such Debentures (i.e. capital sum paid on the Debentures plus outstanding interest) which will be effected in the event the Monetary Board of the Central Bank of Sri Lanka determines that a Trigger Event which warrants the conversion of Debentures to Ordinary Voting Shares as defined in the Circular to Shareholders dated July 14, 2021 pertaining to the proposed issue of Debentures has occurred, which Shares shall be issued at the Conversion Price and credited to the holders of the Debentures as fully paid Ordinary Voting Shares which shall rank equal and *pari passu* with the existing issued and fully paid Ordinary Voting Shares of the Bank including the right to participate in any dividend which may be declared after the date of allotment of such Shares be and is hereby approved in pursuance of Section 99 of the Companies Act No. 07 of 2007 (as amended) and Article 10 of the Articles of Association of the Bank.

By Order of the Board of
Commercial Bank of Ceylon PLC



R A P Rajapaksha
Company Secretary
Colombo
July 14, 2021