

CIRCULAR TO SHAREHOLDERS

Palm Garden Hotels PLC (PQ 132)
Annual Report 2019/20
No: 100/I, Sri Jayawardenapura Mawatha,
Rajagiriya.

Dear Shareholder,

FORTY SIXTH ANNUAL GENERAL MEETING OF PALM GARDEN HOTELS PLC FOR THE YEAR ENDED 2019/2020

Following the issuance of guidelines by the Colombo Stock Exchange (CSE) due to the COVID 19 pandemic situation of the country and in the interest of protecting public health and facilitating compliance with the Health and Safety guidelines issued by the Government of Sri Lanka, the 46th Annual General Meeting (AGM) of Palm Garden Hotels PLC will be held virtually in the manner prescribed below.

A. GENERAL DETAILS

1. The 46th AGM of Palm Garden Hotels PLC will be conducted from the Board Room of LOLC Holdings PLC, 100/I, Sri Jayawardenapura Mawatha, Rajagiriya at 11.45 a.m. on 26th November 2020
2. The AGM will be held in accordance with the guidelines issued by the CSE for the hosting of a virtual AGM.
3. The Board of Directors, key officials, the Company Secretaries, the External Auditors and the Legal Counsel will be present at the venue of the meeting in person and all shareholders will participate in the meeting through audio and audio visual means as a measure to maintain "social distancing" requirements to mitigate the dangers of spreading the virus.
4. The Annual Report of the Company for the year ended 31st March 2020 will be available for perusal on the Company website <https://www.lolcgroup.com/palm-annual-report-20192020> and the Colombo Stock Exchange website on <https://www.cse.lk/pages/company-profile/company-profile.component.html?symbol=PALM.N0000>. The Annual Report could also be accessed via the QR Code which is provided below.
5. If you wish to receive a printed copy of the Annual Report for the year ended 31st March 2020, please complete and forward us the Form of Request attached hereto (Annexure I) by post to the registered address of the Company, No. 100/I, Sri Jayawardenapura Mawatha, Rajagiriya or e-mail to corporateservices@lolc.com or facsimile on +94 11 2865602.

B. SHAREHOLDER PARTICIPATION

1. The shareholders are encouraged to appoint a Director of the Company as their proxy to represent them at the meeting.
2. The shareholders may also appoint any other persons other than a Director of the Company as their proxy and the proxy so appointed shall participate at the meeting through audio or audio visual means only.

3. The shareholders who wish to participate at the meeting will be able to join the meeting through audio or audio visual means. To facilitate this process, the shareholders are required to furnish their details by perfecting Annexure II to the circular to shareholders and forward same to corporateservices@lolc.com or by facsimile on +94 11 2865602, to reach the Secretaries not less than five (05) days before the date of the meeting so that the meeting login information could be forwarded to the e-mail addresses so provided.
4. To facilitate the appointment of proxies as specified in B.1 and B.2 above, the Form of Proxy is attached with the Notice of Meeting. The duly filled Form of Proxy should be sent to reach the Company Secretaries via e-mail to corporateservices@lolc.com or facsimile on +94 11 2865602 or by post to the registered address of the Company No. 100/1, Sri Jayawardenapura Mawatha, Rajagiriya, not less than forty eight (48) hours before the time fixed for the meeting.

C. SHAREHOLDERS' QUERIES

1. The shareholders are hereby advised that if they wish to raise any queries, such queries should be sent to reach the Company Secretaries, via e-mail to corporateservices@lolc.com or facsimile on +94 11 2865602 or by post to the registered address of the Company No. 100/1, Sri Jayawardenapura Mawatha, Rajagiriya, not less than five (5) days before the date of the meeting. This is in order to enable the Company Secretaries to compile the queries and forward same for the attention of the Board of Directors so that they could be addressed at the meeting.
2. At the AGM, the Chairman of the meeting will deal with those questions/comments which are relevant to the agenda items in the Notice of AGM.

For any further queries on this matter, please contact Mrs. Dunisha Perera at the Company Secretarial Division of Palm Garden Hotels PLC.

Telephone : 011 5880880 (ext. 2359)

E- mail : DunishaP@lolc.com

The Board wishes to thank the shareholders of the Company for their unwavering cooperation.

Yours faithfully,

PALM GARDEN HOTELS PLC



LOLC CORPORATE SERVICES (PVT) LTD
Secretaries

16th October 2020

Rajagiriya (in the greater Colombo)



ANNEXURE I

TO: LOLC Corporate Services (Private) Limited
Secretaries to Palm Garden Hotels PLC
100/I, Sri Jayawardenapura Mawatha
Rajagiriya

REQUEST FOR A PRINTED COPY OF THE ANNUAL REPORT 2019/2020

☐ I would like to receive the printed version of the Annual Report of Palm Garden Hotels PLC

Full Name of the Shareholder (as on the CDS account/ Share Certificate)	
Shareholder's NIC/ Passport/ Company Registration No.	
Folio Number	
Address	
Contact No	

Signature

Date

Notes:

1. Please complete the Form of Request by filling in legibly the required information in BLOCK LETTERS, signing in the space provided and filling in the date of signature.
2. Please post the completed Form of Request to the Company Secretaries at the address given above or e-mail to corporateservices@lolc.com or facsimile on +94 11 2865602

ANNEXURE II

PALM GARDEN HOTELS PLC
46TH ANNUAL GENERAL MEETING

REGISTRATION OF SHAREHOLDER DETAILS FOR ONLINE PARTICIPATION

To: Mrs. Dunisha Perera
LOLC Corporate Services (Pvt) Ltd
Secretaries to Palm Garden Hotels PLC
100/I Sri Jayewardenapura Mawatha
Rajagiriya

Details of shareholder		
1. Full name	1. Primary : 2. Joint * :	
4. Address/s		
5. National Identify Card number/ Company Registration number		
6. CDS Account number/s		
7. Contact number/s	Land line (residence/work):	Mobile:
8. Email address/s (to which the on-line meeting link should be forwarded by the Company)		
9. Name of the Proxy Holder		
10. Proxy holder/s' NIC/Passport No.		
11. Proxy holder/s' Contact number/s	Land line (residence/work):	Mobile:
12. Proxy holder/s' email		

*strike out if not applicable

I/We hereby certify that the details given above are true and accurate and are furnished for the purpose of enabling my/our online participation at the Annual General Meeting. I/We acknowledge that the Company shall have the right to disable my/our participation in the event the above information furnished are found to be incorrect or inconsistent with shareholding records.

...../.....
Shareholder's signature & Date

...../.....
Shareholder's signature & Date

Note:

1. It is mandatory for the shareholder/s to provide the email address in the space provided above in order to forward the log in information to facilitate the online participation at the meeting
2. Duly completed registration of Shareholder Details Form should be forwarded to corporateservices@lolc.com or by facsimile on 011-2865602, to reach the Company Secretaries not less than five (05) days before the date of the meeting.

Only registered shareholders and registered proxy holders will be permitted to log in and participate in the AGM on-line

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT THE FORTY SIXTH ANNUAL GENERAL MEETING of the Company will be held on 26th November 2020 at 11.45 a.m. as an on-line audio-visual meeting with arrangements for the on-line meeting platform made at the registered office of the Company at No.100/1, Sri Jayawardenapura Mawatha, Rajagiriya, for the following purposes :

ORDINARY BUSINESS

- I. To receive and consider the Report of the Directors and Statement of Accounts for the year ended 31st March 2020 with the Report of the Auditors thereon.
2. To re-elect as a Director Mrs. K. U. Amarasinghe who retires by rotation in terms of Article 86 of the Articles of Association of the Company.
3. To re-elect as a Director Dr. J. M. Swaminathan who retires in terms of Section 210 of the Companies Act No. 7 of 2007. Special Notice has been received from a shareholder of the intention to pass a resolution which is set out below in relation to his re-election (see note 4 (a) below).
4. To re-appoint M/s PricewaterhouseCoopers, Chartered Accountants as External Auditors of the Company for the ensuing year at a remuneration to be agreed by the Directors.
5. To approve in terms of the Companies (Donations) Act No.26 of 1951, the making of donations by the Directors as determined by them for the current Financial Year and until the next Annual General Meeting of the Company.

SPECIAL BUSINESS

6. To resolve by way of a Special Resolution amendments to the Articles of Association :

- I. By the inclusion of Article 48 (3)

A meeting of shareholders may be held either—

- (a) by a number of shareholders who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or
- (b) by means of audio, or audio and visual communication by which all shareholders participating and constituting a quorum, can simultaneously hear each other throughout the meeting.

- II. By deleting the existing Article 63 and substituting same with the following instead:

ARTICLE 63 VOTES OF SHAREHOLDERS

Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every Shareholder who (being an individual) is present in person or by proxy or attorney who is not a Shareholder or (being a corporation) is present by a representative or proxy or attorney who is not a Shareholder, shall have one vote. In the case of a meeting of shareholders held under Article 48 (3), unless a poll is demanded, voting at the meeting shall be by shareholders signifying individually their assent or dissent by voice. Subject as aforesaid upon a poll every Shareholder who participates in person or by proxy or by attorney or by representative shall be entitled to one vote for each share held by him."

7. To approve by Special Resolution:

"that the Company do subscribe to the Rights Issue of Eden Hotel Lanka PLC, in respect of 195,187,776 shares at a price of Rupees Ten (Rs.10/-) being its full entitlement of shares in its capacity of a shareholder holding 48,796,944 shares (46.21%) in the ratio of four (04) shares in respect of one (01) existing share at a total

value of Rs.1,951,877,760/-, and additionally to further subscribe for any unsubscribed shares in the said Rights Issue, of a number not exceeding 47,227,308 at a price of Rupees Ten (Rs. 10/-) per share, up to a maximum value of Rs. 472,273,080/-, thereby making a total investment, not exceeding Rs.2,424,150,840/-."

8. To approve by Special Resolution:
“that the Company do subscribe to the Rights Issue of Riverina Resorts (Pvt) Ltd, in respect of 440,000,000 shares at a price of Rupees Ten (Rs.10/-) each in its capacity of sole shareholder holding 35,050,000 shares, at a total value of Rs.4,400,000,000.”

By order of the Board
PALM GARDEN HOTELS PLC

R. T. S. 10

LOLC CORPORATE SERVICES (PVT) LTD
Secretaries

04th November 2020
Rajagiriya (in the greater Colombo)

NOTE:

- 1) A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of him/her. A Proxy need not be a shareholder of the Company.
- 2) The completed Form of Proxy should be received by the Company at its Secretaries' office No. 100/I, Sri Jayawardenapura Mawatha, Rajagiriya not later than forty eight (48) hours before the start of the meeting.
- 3) A Form of Proxy accompanies this Notice.
- 4) IMPORTANT NOTICE:
 - (a) **Special Notice was received by the Company from a shareholder of the Company giving Notice of intention to move the following Resolution at the above Annual General Meeting :
"Resolved that Dr. I. M. Swaminathan who reached

the age of 70 years in 2011, be and is hereby re-elected a Director of the Company and it is further specifically declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Director; Dr. J. M. Swaminathan."

- (b) This year the Annual Report and Financial Statements of the Company are available on the:
- (1) Corporate Website – <https://www.lolcgroup.com/palm-annual-report-20192020> and
 - (2) The Colombo Stock Exchange – <https://www.cse.lk/pages/company-profile/company-profile.component.html?symbol=PALM.N0000>

Members may also access the Annual Report and Financial Statements on their electronic devices by scanning the following QR code:



For clarifications on how to download and/or access the Annual Report and Financial Statements, please contact Dunisha on 011 5880359 during normal office hours (8.30 a.m. to 5.00 p.m.) or email corporateservices@lhc.com

Should Members wish to obtain a hard copy of the Annual Report, they may send a written request to the registered office of the Company by filling the request form attached to the Form of Proxy. A printed copy of the Annual Report will be forwarded by the Company within eight (8) market days from the date of receipt of the request.

In the event the Company is required to take any further action in relation to the Meeting, in the best interests of the Meeting attendees due to the COVID-19 pandemic; and/or any communications, guidelines, directives or orders issued by the Government of Sri Lanka, Notice of such action shall be given by way of an announcement to the Colombo Stock Exchange and publication on the Company website - <https://www.cse.lk/pages/company-profile/company-profile.component.html?symbol=PALM.N0000>

FORM OF PROXY

I/We
..... of being a member/
members of the above named Company hereby appoint
..... of whom failing;

Waduthanthri Darshan Kapila Jayawardena	of Colombo or failing him
Mrs. Kalsha Upekha Amarasinghe	of Colombo or failing her
Don Soshan Kamantha Amarasekera	of Colombo or failing him
Dr. Jayanta Mootatamby Swaminathan	of Colombo

as my/our proxy to represent me/us and vote on my/our behalf at the Forty Sixth Annual General Meeting of the Company to be held on 26th November 2020 at 11.45 a.m. and any adjournment thereof and at every poll which may be taken in consequence of the aforesaid Meeting.

		FOR	AGAINST
1	To re-elect as a Director Mrs. K.U. Amarasinghe who retires by rotation in terms of Articles 86 of the Article of Association of the Company.	☐	☐
2	To re-elect as a Director Dr. J. M. Swaminathan, who retires in terms of Section 210 of the Companies Act No. 7 of 2007.	☐	☐
3	To re-appoint M/s PricewaterhouseCoopers, Chartered Accountants as External Auditors of the Company for the ensuing year at a remuneration to be agreed by the Directors.	☐	☐
4	To authorize the Directors to make donations	☐	☐
5	To resolve by way of a Special Resolution, as referred to in item 6 of the Notice of Meeting, amendments to the Articles of Association :		
I.	By the inclusion of Article 48 (3)	☐	☐
	A meeting of shareholders may be held either—		
	(a) by a number of shareholders who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or		
	(b) by means of audio, or audio and visual communication by which all shareholders participating and constituting a quorum, can simultaneously hear each other throughout the meeting;"		
II.	By deleting the existing Article 63 and substituting same with the following instead:	☐	☐

"Article 63 Votes of Shareholders

Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every Shareholder who (being an individual) is present in person or by proxy or attorney who is not a Shareholder or (being a corporation) is present by a representative or proxy or attorney who is not a Shareholder, shall have one vote. In the case of a meeting of shareholders held under Article 48 (3), unless a poll is demanded, voting at the meeting shall be by shareholders signifying individually their assent or dissent by voice. Subject as aforesaid upon a poll every Shareholder who participates in person or by proxy or by attorney or by representative shall be entitled to one vote for each share held by him."

6. To resolve by way of a Special Resolution, as referred to in item 7 of the Notice of Meeting,

☐☐

"that the Company do subscribe to the Rights Issue of Eden Hotel Lanka PLC, in respect of 195,187,776 shares at a price of Rupees Ten (Rs.10/-) being its full entitlement of shares in its capacity of a shareholder holding 48,796,944 shares (46.21%) in the ratio of four (04) shares in respect of one (01) existing share at a total value of Rs.1,951,877,760/-, and additionally to further subscribe for any unsubscribed shares in the said Rights Issue, of a number not exceeding 47,227,308 at a price of Rupees Ten (Rs. 10/-) per share, up to a maximum value of Rs. 472,273,080/-, thereby making a total investment, not exceeding Rs.2,424,150,840/-"

7. To approve by way of a Special Resolution, as referred to in item 8 of the Notice of Meeting;

☐☐

"that the Company do subscribe to the Rights Issue of Riverina Resorts (Pvt) Ltd, in respect of 440,000,000 shares at a price of Rupees Ten (Rs.10/-) each in its capacity of sole shareholder holding 35,050,000 shares, thereby making a further investment not exceeding Rs.4,400,000,000."

Dated this day of 2020

.....

Signature of Shareholder

NOTE:

- 1) A proxy need not be a member of the company
- 2) Instruction as to completion appear below

INSTRUCTIONS AS TO COMPLETION

- 1 Please return the completed Form of Proxy after filling in legibly your full name and address, signing on the space provided and filling in the date of signature.
- 2 The completed Form of Proxy should either be:
 - (i) addressed to the 'Company Secretary' and posted or hand delivered to the registered office of the Company at 100/I, Sri Jayawardenapura Mawatha, Rajagiriya;
 - or
 - (ii) Scanned and emailed to the email address: corporateservices@olc.com with the email subject titled "PALM AGM PROXY" not less than 48 hours before the time appointed for the holding of the Meeting.