

**PEGASUS HOTELS OF CEYLON PLC - PQ 40**  
No.61, Janadhipathi Mawatha, Colombo 01, Sri Lanka

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**IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR  
STOCKBROKER OR OTHER PROFESSIONAL ADVISOR IMMEDIATELY**

**CIRCULAR TO SHAREHOLDERS**

Dear Shareholder/s,

**RIGHTS ISSUE OF 3,376,838 ORDINARY VOTING SHARES AT RS.22/50 PER SHARE**

**1. BACKGROUND**

Pegasus Hotels of Ceylon PLC ("PEG" or "the Company") was incorporated in Sri Lanka in 1966. The Company is a subsidiary of Carson Cumberbatch PLC ("CCPLC"), which holds 89.98% of the issued shares of the Company. The principal business activity of the Company is hoteliering and leisure related activities.

Equity Hotels Limited ("EHL" or "Giritale Hotel") was incorporated in 1970 and is a subsidiary of the Company owning 99.99% issued shares of EHL.

The Board of Directors of EHL are,  
Mr. A. P. Weeratunge  
Mr. V. R. Wijesinghe  
Mr. T. Ganeshan

The Board of Directors of Pegasus Hotels of Ceylon PLC resolved on 27th April 2022, subject to the approval of the Shareholders to issue 3,376,838 Ordinary Voting Shares in the proportion of One (01) new Ordinary Voting Share for every Nine (09) Ordinary Voting Shares of the Company by way of a Rights Issue to raise Rs.75,978,855/- being the funds required to subscribe to the rights issue of Equity Hotels Limited. The said 3,376,838 Ordinary Voting Shares pursuant to the Rights Issue are to be listed on the Colombo Stock Exchange.

The Shareholders of the Company who hold their shares in their respective CDS accounts/ in the share register as at end of trading on the third (3rd) Market Day from and excluding the date of the Annual General Meeting (i.e. the 'Record Date') will be entitled to this issuance of shares.

The new Ordinary Voting Shares will be issued at a price of **Rs.22/50 per share** (the "Issue Price"), amounting to a total consideration of Rs.75,978,855/-. The new Shares arising from the Rights Issue shall rank *pari-passu* in all respects with the existing Ordinary Voting Shares of the Company. As at 31st March 2022, the Net Asset Value per share of the Company stood at Rs.72/26, contributed by property, plant & equipment amounting to Rs.2.7 billion.

The Board of Directors of the Company have resolved that in its opinion, the Issue Price of Rs.22/50 per share for the Rights Issue is fair and reasonable to the Company and to all existing Shareholders as required by Section 52 of the Companies Act, No. 07 of 2007 (the “Companies Act”).

## **2. OBJECTIVE OF THE RIGHTS ISSUE**

In the Financial Year 2019, EHL refurbished 21 of its 40 sellable room inventory to re-position the property as a unique, and modern destination in the region to complement its magnificent views. This project was primarily funded via bank and related-entity borrowings.

Unfortunately, immediately after EHL’s refurbished rooms reached sellable inventory, the leisure industry entered a phase of crisis with the Easter Sunday attacks of 2019, followed by the COVID-19 pandemic. As a result, the unprecedented demand drop, incapacitated the hotel’s ability to generate timely funds to settle the refurbishment related debt commitments. Nevertheless, concessions granted under the Central Bank of Sri Lanka debt moratorium scheme temporarily relieved the debt servicing burden to-date yet snowballing interest obligations. Accordingly, as at 31st March 2022, EHL’s bank borrowings amounted to Rs.147.8 million while amounts due to related Companies stood at Rs.22 million.

Considering the potential cash generation ability of the 40 rooms of Girital Hotel, the current accumulated debt level will weigh on its medium to long-term flexibility to carry out critical Capital Expenditure (CAPEX) and maintenance-related activities. Therefore, it is prudent to partially settle the borrowings of EHL and restructure the remaining debt to provide reasonable flexibility for the hotel to manage its cash flows. In order to raise capital for this purpose, EHL has decided to carry out a rights issue of Ordinary Voting shares to strengthen its financial position by fully settling its aforementioned related-entity loans obtained from Carson Cumberbatch PLC which are repayable on demand, as well as partially settling the bank loans which are on debt moratoriums at present. The terms of the EHL rights issue (i.e. Rights price and number of Rights shares to be issued by EHL etc.) will be finalized based on an independent valuation exercise to determine Girital Right Issue price upon the completion of the Pegasus Right issue exercise.

The Rights Issue proceeds will be utilized for settlement of loans as follows;

| <b>Loan</b>                                      | <b>Rs.</b>        | <b>Percentage/Quantum</b> |
|--|-------------------|---------------------------|
| Partially settle and service bank borrowings     | 54,024,862        | 71%                       |
| Fully settle related party borrowings from CCPLC | 21,953,993        | 29%                       |
| <b>Total</b>                                     | <b>75,978,855</b> | <b>100%</b>               |

PEG has given commitment to subscribe for its full entitlement of 99.99% of the EHL rights issue. However, considering the similar business conditions that PEG itself faces and its own CAPEX pipeline, the management of PEG has decided that it is prudent to raise capital *via* a Rights Issue of PEG with the proceeds of the issue being utilized to subscribe for the rights issue of EHL in compliance with Section 9 of the Colombo Stock Exchange (CSE) Listing Rules. The Rights Issue of PEG is expected to be completed in September 2022. Subsequently, the proceeds of the rights issue will be utilized to subscribe for the rights issue of EHL no later than 31st October 2022.

In the event of any delay in utilizing the proceeds of the Rights Issue for the said objective, the Company would opt to invest the same during the interim period in savings or term deposits at the prevailing

**PEGASUS HOTELS OF CEYLON PLC**  
**Rights Issue**

market rates. From the aforesaid Rights Issue, the Shareholders will benefit from the reduction in existing debt at the group level, leading to overall reduced financial risk.

In terms of the CSE Rule 9.5(b), the issue of Securities by PEG to any related party by way of a Rights Issue is considered as an exempted Related Party Transaction. The Board has noted same.

The objective of the proposed Rights Issue does not amount to a Major Transaction as per Section 185 of the Companies Act, No.07 of 2007.

### **3. SPECIFIC RISKS ASSOCIATED WITH THE PURPOSE/OBJECTIVE OF THE ISSUE**

The Parent Company of the Company, CCPLC which holds 89.98% of issued ordinary voting shares of PEG has informed the Board that it will subscribe to its entitlement in the issue in full. Therefore, the maximum possible undersubscription of the issue would amount to Rs.7,610,152/50. In the event the total amount raised under the Rights Issue is less than the amount intended to be invested by the Company in EHL, the shortfall will be met by PEG by utilizing its own cash reserves. Hence, there are no significant risks attached to the objective of the issue.

The Company does not foresee any deviations from the identified objective or timeline associated with the Rights Issue. However, in the event of any such unforeseen deviations to the objective of the Rights Issue, the Company will make a market announcement pertaining to such a deviation, obtain Shareholder approval and required regulatory approvals (as applicable) for the new objectives.

### **4. COMMITMENT OF THE MAJOR SHAREHOLDER**

CCPLC, the holding Company of Pegasus Hotels of Ceylon PLC has committed to subscribe to its Rights entitlement in full being 3,038,609 ordinary voting shares. In the event other shareholders apply for additional shares, the scheme described in Section 13 below will be used to ensure the equitable dissemination of the additional shares to the Shareholders applying for additional shares.

### **5. DISCLOSURE IN THE FINANCIAL STATEMENTS AND THE ANNUAL REPORT**

The Company will disclose information in the Interim Financial Statements and the Annual Report(s) of the Company from the date of raising funds until funds are fully utilized by the Company as per the format given below.

**Rights Issue Proceeds Utilization as at DD-MM-YYYY**

| Objective Number | Objective as per the Circular to Shareholders | Amount Allocated as per the Circular to Shareholders (Rs.) | Proposed Date of Utilisation as per the Circular to Shareholders | Amount Allocated from Proceeds in Rs. [A] | % of Total Proceeds | Amounts Utilised in the Objective Rs. [B] | % of Utilisation against allocation [B/A] | Clarification if not fully utilised including where the funds are invested. (eg. whether lent to related party/s etc.) |
|------------------|---|--|--|---|---------------------|---|---|--|
|                  |   |  |  |   |                     |   |   |  |
|                  |   |  |  |   |                     |   |   |  |

The Company will make the following statements (as applicable) in its Annual Report / Interim Financial Statements with respect to the funds raised through this Rights Issue.

- a) Any material change in the use of funds raised through the issue of shares, and
- b) In the event the proceeds raised are fully utilized as disclosed in the Circular to Shareholders between two financial periods, the Company would disclose such fact in the immediate succeeding Annual Report or the Interim Financial Statement, whichever is published first, as per the above template.

## **6. STATED CAPITAL**

If the Rights Issue is fully subscribed, subsequent to the Rights Issue of shares, the Stated Capital of the Company will be increased from **Rs.515,169,680/50** to **Rs.591,148,535/50** and the total number of shares in issue will be increased from 30,391,538 ordinary voting shares to 33,768,376 ordinary voting shares.

## **7. MARKET PERFORMANCE OF PEGASUS SHARE PRICE DURING THE PRECEDING 3 MONTHS**

The market price of the shares of the Company as at 21st June 2022 (i.e. the latest practicable date prior to dispatching of the Circular to Shareholders) is Rs.31/40.

The high, low, last traded prices of the Ordinary Voting Shares of the Company during the preceding three (03) month period are as follows;

|             | <b>March 2022</b> | <b>April 2022</b> | <b>May 2022</b> |
|-------------|-------------------|-------------------|-----------------|
| Highest     | Rs.45/-           | Rs.32/-           | Rs.34/80        |
| Lowest      | Rs.32/50          | Rs.22/-           | Rs.24/-         |
| Last traded | Rs.34/-           | Rs.28/-           | Rs.29/20        |

## **8. DIVIDEND HISTORY**

PEG has not declared any dividends during the last three years immediately preceding the date of the Circular.

## 9. TWENTY LARGEST SHAREHOLDERS

The twenty (20) largest Shareholders of the Company as at 31st May 2022 are provided below;

| No.                                   | Name of Shareholder  | No. of shares held | %             |
|---------------------------------------|--|--------------------|---------------|
| 1                                     | CARSON CUMBERBATCH PLC A/C NO.02                                   | 27,347,485         | 89.98         |
| 2                                     | HATTON NATIONAL BANK PLC/ROHAN CHANAKA JOSEPH GOONEWARDENE         | 370,225            | 1.22          |
| 3                                     | MR. M.C.C.K. RODRIGO   | 345,535            | 1.14          |
| 4                                     | MR. K.C. VIGNARAJAH  | 185,955            | 0.61          |
| 5                                     | MRS. V.R. JAYASINGHE   | 148,849            | 0.49          |
| 6                                     | MERCHANT BANK OF SRI LANKA LTD/C. SATHKUMARA                       | 109,841            | 0.36          |
|                                       | MR. C. SATHKUMARA  | 82,274             | 0.27          |
| 7                                     | MR. K.C. JAYAWARDENE   | 100,000            | 0.33          |
| 8                                     | MR. N.W.N. JAYASIRI  | 80,000             | 0.26          |
| 9                                     | MRS. N.A. EDIRIWEERA   | 75,000             | 0.25          |
| 10                                    | MR. A.M. WEERASINGHE   | 57,500             | 0.19          |
| 11                                    | MRS. I. GWYN   | 55,000             | 0.18          |
| 12                                    | J.B. COCOSHELL (PVT) LTD   | 50,004             | 0.16          |
| 13                                    | ACUITY PARTNERS (PVT) LIMITED/ MR. DON JANAKA NISHAN HETTIARACHCHI | 45,541             | 0.15          |
| 14                                    | MR. H.A.S. MADANAYAKE  | 40,000             | 0.13          |
| 15                                    | MR. P. SOMADASA  | 39,961             | 0.13          |
| 16                                    | MR. K.K.D. SENANAYAKE  | 35,000             | 0.12          |
| 17                                    | MR. M.F.J. MACAN MARKAR  | 29,580             | 0.10          |
| 18                                    | MISS. L.A. PIERIS  | 28,000             | 0.09          |
| 19                                    | DFCC BANK PLC/DR.M.RAMASUBBU                                       | 24,895             | 0.08          |
| 20                                    | MR. H. TIRATHDAS   | 23,289             | 0.08          |
| <b>SUB TOTAL</b>                      |  | <b>29,273,934</b>  | <b>96.32</b>  |
| <b>OTHER SHAREHOLDERS</b>             |  | <b>1,117,604</b>   | <b>3.68</b>   |
| <b>TOTAL ISSUED SHARES AS AT DATE</b> |  | <b>30,391,538</b>  | <b>100.00</b> |

## 10. PUBLIC HOLDING

The Company is currently in compliance with the Minimum Public Holding requirements for Companies listed on the Diri Savi Board as per Rule 7.14.1 (i)(b) of the Listing Rules of the Colombo Stock Exchange, under Option 2, i.e. Float-Adjusted Market Capitalization of less than Rs.1 Billion with 200 Public Shareholders and a Public Holding percentage of 10%.

The Company's Public Holding as at 31st May 2022 is as follows;

|   |                  |
|---|------------------|
| Market Capitalization of the Public Holding             | Rs.88.83 Million |
| Number of Public Shareholders                           | 2,743            |
| Percentage of ordinary voting shares held by the public | 10.01%           |

## **11. CONTINGENT LIABILITIES**

There are no material changes to the contingent liabilities and litigations from the position disclosed in the Financial Statements for the twelve months ended 31st March 2022.

## **12. IMPACT OF COVID-19 AND CURRENT ECONOMIC CONDITIONS**

Business operations of PEG and its subsidiary EHL were significantly affected by the impact of the COVID-19 pandemic on the tourism and hospitality sector of the country. With the onset of the pandemic, both PEG and EHL established and implemented requisite safety and sanitisation procedures and protocols, as a means of prioritising safety in day-to-day operations. In addition, cost rationalisation programmes were established and executed in order to particularly curb the overhead expenses of the hotels. With increased number of daily COVID cases in the country and strict guidelines issued by authorities to control the spread of the virus, Pegasus Reef Hotel operated as a temporary Intermediate Care Centre (ICC) of Asiri Central Hospital from 19th May 2021 until 15th October 2021.

However, from November 2021 till March 2022, overall business conditions noted a significant improvement following the gradual relaxation of travel restrictions and positive travel sentiment. Nevertheless, ongoing operations of both hotels are impacted again from the present political and economic crisis in the country due to subdued tourism as well as inflationary pressures on the cost base and the shortage in essential goods including other necessities such as gas, electricity and fuel.

## **13. APPLICATIONS FOR RIGHTS**

The offer to subscribe for the rights shares will be made by the Company by way of sending a **Provisional Letter of Allotment**, with provision for renouncing such rights in favour of the Central Depository Systems (Private) Limited (CDS) and applying for additional rights. The manner in which the Provisional Letter of Allotment should be dealt with will be fully set out therein. The Shareholders must strictly follow and adhere to the instructions provided in the Provisional Letter of Allotment in respect of acceptance, renunciation and applying for additional rights.

In allotting rights shares provisionally, the shareholding of the Shareholders, as appearing in the CDS and the Shareholders' register maintained by the Company Secretary will be amalgamated in so far as the National Identity Card Number of such Shareholders are available with the Company for identification purposes and will be done as at the end of trading on the Record Date.

The Rights shares will be provisionally allotted to Shareholders as at the end of trading on the Record Date, which is the third (03<sup>rd</sup>) Market Day from and excluding the date of the AGM and the Provisional Letters of Allotment will be dispatched within five (05) Market Days from and excluding the Record Date.

Trading of the 'Rights' shall commence on the fourth (04<sup>th</sup>) Market Day from and excluding the date of dispatch of the Provisional Letter of Allotment. Such trading shall continue throughout the Period of Renunciation of the Rights entitlement to the CDS.

The Shareholders of the Company who hold their shares in their respective CDS accounts/ in the share register as at end of trading on the Record Date will be entitled to this issuance of shares.

The Provisional Letter of Allotment will be made available to Ledger Shareholders and where a shareholder maintains his/her shareholding in the CDS, such shareholder's rights entitlement will be

directly deposited to the respective CDS account through the CDS system to, for the purpose of facilitating the Shareholders to apply for the Rights Issue.

In terms of the Directive issued by the Securities and Exchange Commission of Sri Lanka (SEC) made under Circular No. 08/2010 dated 22nd November 2010 and Circular No. 13/2010 issued by the Central Depository Systems (Pvt) Limited dated 30th November 2010, all new securities arising from the proposed Rights Issue will be directly deposited to the respective Shareholders' CDS Account, within ten (10) Market Days from the Last Date of Acceptance and Payment for Rights. The relevant Shareholders will be notified of such direct deposits within two (02) Market Days of the direct deposit. **NO SHARE CERTIFICATE WILL BE ISSUED TO ANY SHAREHOLDER.**

In the event of non-availability of the CDS Account Number, the new shares to be allotted, will only be registered in the share ledger maintained by the Company and the Shareholders **will not be entitled** to a share certificate and thereby **will not be possible to trade** with the new shares allotted under the Rights Issue, until such time the same has been deposited with the CDS. Therefore, Shareholders are requested to ensure strict adherence to the Directive issued by the SEC. Consequent to the opening of a CDS Account by such Shareholder, and upon requesting the new shares will be credited to such CDS Account. Direct uploads pertaining to written requests received from Shareholders to deposit such shares will be done every fortnight.

Shareholders may open a CDS Account through any Member / Trading Member of the Colombo Stock Exchange.

The new Ordinary Voting Shares allotted to you by way of the Rights Issue, will rank equally and *pari passu* in all respects with the existing issued Ordinary Voting Shares of the Company from the final allotment, which shall be after the date of Acceptance and Payment.

### **13.1 FRACTIONAL SHARES**

No holder of shares in the capital of the Company shall be entitled upon such issue to a fractional part of a share and the aggregate of such fractions shall be dealt with as additional shares.

The fractional shares referred to herein shall mean the fractions arising after applying the following formula,

Number of shares held by the Shareholders as at end of trading on the Record Date X 1

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### **13.2 ADDITIONAL SHARES**

Shares provisionally allotted and not subscribed for as at the Last Date of Acceptance and Payment, for which payment has not been duly validly received by the Company or where applications have been rejected, such shares will be deemed to have not been accepted and such unaccepted shares along with the aggregate of the fractions will be allotted at the same price to existing Shareholders who apply for additional shares.

In respect of additional shares, the basis on which the rights entitlement applies to each Ordinary Shareholder who applies for additional shares will be on a basis at the discretion of the Board of Directors.

In the event the total additional shares applied for by Shareholders is more than the shares unsubscribed for under the Rights Issue, the Directors reserve the right of accepting or rejecting any application for additional shares in whole or part.

#### **14. PROCESS AND DATES OF THE RIGHTS ISSUE**

Subject to the approval of the Shareholders being obtained for the Rights Issue, the Date of Provisional Allotment shall be the Record Date. The Shareholders duly registered in the Company's books including those holding shares in the CDS as at end of trading on the Record Date, shall be entitled to the Rights Issue.

The Company's shares shall trade Ex-Rights (XR) from the Market Day immediately following the date of the AGM.

Rights 'Entitlement' of the Shareholders whose shares are held in the CDS, will be directly uploaded to the CDS Account and Shareholders who do not have a CDS Account are requested to open a CDS Account and lodge their shares prior to 27th July 2022 (i.e. Record Date) to facilitate trading from 09th August 2022 to 17th August 2022 (being the Period of Renunciation).

Trading of Rights shall commence on 09th August 2022 the fourth (4<sup>th</sup>) Market Day from and excluding the Date of dispatch/making available the Provisional Letter of Allotment and trading shall continue throughout the Period of Renunciation to the CDS (from 09th August 2022 to 17th August 2022).

The Last Date of Acceptance and Payment for Rights share shall be Tuesday, 23rd August 2022 being the thirteenth (13th) Market Day from and excluding the date of making available the Provisional Letter of Allotment.

When the CDS Shareholders are required to subscribe for the Rights Entitlement (partly or fully), they are required to send the remittance to their Stockbroker / Custodian Bank, not later than 4.30 p.m. on Wednesday, 17th August 2022 (being the Last Date of Renunciation to the CDS and the 9<sup>th</sup> Market Day from and excluding the date of despatch/making available the Provisional Letter of Allotment) for onward transmission to the Registrars to the Issue.

The remittance must be made by online fund transfer or depositing a cheque/bank draft drawn upon any licensed commercial bank operating in Sri Lanka and payable to "**PEGASUS Rights Issue Account**" maintained at Hatton National Bank PLC, Hendala Branch.

Applications made by the due date for Rights Entitlement by all accepting Shareholders will be met in full subject to realisation of cheques at their first presentation. Any Rights Shares remaining after such allotment of entitlement shares would be made available to Shareholders who have applied for additional shares in addition to their Rights Entitlement.

#### **15. DIRECT REMITTANCE AND DIRECT DEPOSITS**

The direct remittance (with advice) should be forwarded with the **Letter of Acceptance & Registration (Form A)** by the Ledger Shareholders and a separate direct remittance (with advice) should be forwarded with the **Form of Application for Additional Ordinary Voting Shares (Form C)** by CDS Shareholders and Ledger Shareholders.



The remittance from Foreign/ Non-Resident Shareholders must be made only out of an Inward Investment Account (IIA) maintained with a licensed commercial bank operating in Sri Lanka. Such applications must be accompanied by a letter from the respective licensed commercial bank confirming same.

All incomplete applications with incorrect details will be rejected. Refunds in respect of the rejected applications shall be paid as expeditiously as possible but not exceeding ten (10) Market Days from the Last Date for Acceptance and Payment for the Rights shares.

In terms of the Directive issued by the Securities and Exchange Commission of Sri Lanka made under Circular No. 08/2010 dated 22nd November 2010 and Circular No. 13/2010 dated 30th November 2010 issued by the Central Depository Systems (Private) Limited, all new securities arising from the proposed Rights Issue will be directly deposited to the respective CDS Accounts of the Shareholders within ten (10) Market Days from the Last Date of Acceptance and Payment for the Rights shares and no share certificate shall be issued to any Shareholder. The relevant Shareholders will be notified of such direct deposits within two (02) Market Days of the direct deposit.

#### **16. DEFINITION AND OPERATION OF A “LOCKED” BALANCE IN THE CDS**

Shareholders have the option of having their shares “locked” in the CDS. Shares that are “locked” would not be available for trading purposes and would not be visible to the participant. Such Shareholders would have to fill in a separate section in the **Letter of Acceptance & Registration (Form A)** and **Form of Application for Additional Ordinary Voting Shares (Forms C)** for this purpose. If the Shareholders have not specified their preference in this manner, his/her shares will be deposited to Shareholder’s “trading” balance.

In order to preserve the confidentiality of shareholder information and to ensure that securities are not made available for trading for those Shareholders who do not want to trade securities, the CDS would provide a mechanism where securities can be ‘locked’ in the CDS Account.

The CDS would maintain two balances for each CDS Account, namely a trading balance and a locked balance. The trading balance would be visible to the CDS participants and all dealings and trading would be permitted on the said trading balance, as done presently.

As opposed to the trading balance, the locked balance will not be visible to the CDS participants and all dealings on such locked balance would be suspended thereby maintaining the confidentiality of the information and also safeguarding the account holder from an unauthorised sale by a Broker.

At the option and request of an account holder, the CDS would transfer a named quantity of shares from the “locked” balance to the trading balance of a CDS Account and/or from the trading balance to the “locked” balance of the CDS Account.

#### **17. UNDERWRITING AGREEMENT**

Pegasus Hotels of Ceylon PLC has not entered into any Underwriting Agreement in relation to the Rights Issue.

As stated in Section 3 above, in the event the Issue is undersubscribed, PEG will utilize its own cash reserves to fund the shortfall in the amount intended to be invested in the EHL rights issue.

**18. APPROVAL FROM THE COLOMBO STOCK EXCHANGE**

Approval 'in principle' has been obtained from the Colombo Stock Exchange (CSE) on 20th June 2022 to issue and list the new Ordinary Voting Shares on the CSE. The listing of the new Ordinary Voting Shares on the CSE will in no way be reflective of the merits of the Issue. The CSE assumes no responsibility for the correctness of any of the statements made, opinion expressed or reports included herein.

**19. DECLARATION BY THE DIRECTORS**

The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given and confirm, having made all reasonable inquiries, that to the best of their knowledge and belief that there are no other facts, the omission of which would render any statement in the Circular misleading.

**20. MANAGERS TO THE RIGHTS ISSUE**

Carsons Management Services (Private) Limited at 61, Janadhipathi Mawatha, Colombo 01, Sri Lanka are the Managers to the Issue.

**21. REGISTRARS TO THE RIGHTS ISSUE**

Central Depository Systems (Pvt) Limited, Corporate Solution Unit at Ground Floor, M & M Center, 341/5, Kotte Road, Rajagiriya, Sri Lanka have been appointed as the Registrars to the Rights Issue.

**22. ANNUAL GENERAL MEETING**

The above which requires the approval of the Shareholders of the Company will be taken up at the Annual General Meeting (AGM) of the Shareholders of the Company as detailed in the Notice of Meeting of the AGM to be held on **Friday, 22nd July 2022 at 9.30 a.m.** at the 8th Floor of No.65C, Dharmapala Mawatha, Colombo 07, Sri Lanka by means of audio or audio and visual technology as permitted by Article 43(b) of the Articles of Association of the Company.

By Order of the Board of  
**PEGASUS HOTELS OF CEYLON PLC**  
Carsons Management Services (Private) Limited  
Managers & Secretaries

61, Janadhipathi Mawatha, Colombo 1,  
Sri Lanka

27<sup>th</sup> June 2022