

NOTICE OF MEETING

Notice is hereby given that the Fifty First (51st) Annual General Meeting of Hatton National Bank PLC (the "Bank") is convened on Monday, the Thirtieth (30th) day of March 2020 at the Auditorium on Level 22 of "HNB Towers" at No. 479, T.B. Jayah Mawatha, Colombo 10, at 10.00 in the forenoon when the following business will be transacted:

- i. To receive and consider the Annual Report of the Board of Directors along with the Financial Statements of the Bank for the year ended 31st December 2019 and the Auditor's Report thereon.
- ii. To declare a final dividend as recommended by the Board of Directors, to consider and if thought fit, to pass the following resolutions:

ORDINARY RESOLUTION DECLARATION OF DIVIDEND AND APPROVAL OF ITS METHOD OF SATISFACTION:

- (a) IT IS HEREBY RESOLVED THAT a final dividend of Rupees Seven (Rs 7/-) per share constituting a total sum of Rs 3,502,846,949/- be paid on the issued and fully paid ordinary voting shares and ordinary non-voting shares of the Bank for the financial year ended 31st December 2019 based on the issued ordinary voting shares and ordinary non-voting shares as at February 20th, 2020;
- (b) THAT the shareholders entitled to such dividend would be those shareholders (holders of both ordinary voting shares and ordinary non-voting shares), whose names have been duly registered in the Register of Shareholders and those shareholders whose names appear on the Central Depository Systems (Pvt) Ltd ('CDS') as at end of trading on the date on which the requisite resolution of the Shareholders in regard to the final dividend is passed ('entitled Shareholders');
- (c) THAT the said final dividend of Rs 7/- per share be distributed and satisfied partly by the payment of cash and partly by the allotment and issue of new ordinary voting shares and ordinary non-voting shares (the "distribution scheme") based on the share prices of ordinary voting shares and ordinary non-voting shares as at February 19th, 2020 in the following manner, subject however to any necessary revision being made to the amount of dividends to be distributed and the number of shares to be issued pursuant to any changes to the applicable law:
 - i. By way of cash distribution:

A cash distribution (A) a sum of Rs 1,404,703,520/50 be made to the holders of ordinary voting shares and (B) a sum of Rs 346,719,954/- be made to the holders of ordinary non-voting shares respectively, on the basis of Rupees Three and Cents Fifty (Rs 3/50) per each share.
 - ii. By way of the allotment of and issue of new shares:

A. For voting shares:
A sum of Rs 1,404,703,520/50 be distributed to the holders of ordinary voting shares in the form of a scrip dividend at the rate of Rupees Three and Cents Fifty (Rs 3/50) per each share, by the issue of a total of 8,975,741 ordinary voting shares computed on the basis of one (1) ordinary voting share for every 44.7142874332 ordinary voting shares currently in issue (which computation is based on a valuation of Rs. 156/50 per each ordinary voting share).

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B. For non-voting shares:

A sum of Rs 346,719,954/- be distributed to the holders of ordinary non-voting shares in the form of a scrip dividend at the rate of Rupees Three and Cents Fifty (Rs 3/50) per each share, by the issue of 2,593,268 ordinary non-voting shares computed on the basis of one (1) ordinary non-voting share for every 38.2000024679 non-voting shares currently in issue (which computation is based on a valuation of Rs 133/70 per each ordinary non-voting share).

- (d) THAT the shares arising from the aggregation of the residual fractions consequent to the scrip dividend be issued to and disposed of in the market by the trustees to be nominated by the Board of Directors and the proceeds to be distributed for charitable purposes as may be approved by the Board of Directors.
- (e) THAT (a) the new ordinary voting shares to be issued in pursuance of the distribution scheme shall, immediately consequent to the allotment thereof to the entitled Shareholders rank equal and pari passu in all respects with the existing issued and fully paid ordinary voting shares of the Bank and (b) the new ordinary non-voting shares to be issued in pursuance of the distribution scheme shall, immediately consequent to the allotment thereof to the entitled Shareholders rank equal and pari passu in all respects with the existing issued and fully paid ordinary non-voting shares of the Bank, and shall be listed on the Colombo Stock Exchange.
- (f) THAT the new ordinary voting shares and ordinary non-voting shares to be so allotted and issued shall not be eligible for the payment of dividend declared hereby.
- (g) THAT accordingly, the Bank's management be and is hereby authorized to take all necessary steps to give effect to the aforesaid proposed issue of new ordinary voting shares and ordinary non-voting shares of the Bank.

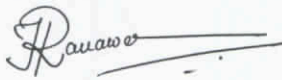
SPECIAL RESOLUTION – APPROVAL OF THE HOLDERS OF VOTING SHARES UNDER SECTION 99 OF THE COMPANIES ACT NO. 7 OF 2007, FOR THE ISSUE OF SHARES BY WAY OF A SCRIP DIVIDEND

IT IS HEREBY RESOLVED THAT the issue by the Bank of (a) 8,975,741 ordinary voting shares to the holders of ordinary voting shares on the basis of one (1) ordinary voting share for every 44.7142874332 ordinary voting shares currently in issue and (b) 2,593,268 ordinary non-voting shares to the holders of ordinary non-voting shares on the basis of one (1) ordinary non-voting share for every 38.2000024679 ordinary non-voting shares currently in issue, by way of a scrip dividend (subject to any necessary revision being made to the number of shares to be so issued pursuant to any changes to the applicable law) with the shares arising from the aggregation of the residual fractions consequent to the scrip dividend being issued to and disposed of in the market by the trustees to be nominated by the Board of Directors and the proceeds from such disposal being distributed to charitable purposes, be and is hereby approved.

- iii. To re-elect Damian Amal Cabraal, who retires at the Annual General Meeting, as a Director of the Bank in terms of Article 34 of the Articles of Association of the Bank.

- iv. To re-elect Mr Hiran Asoka Pieris as a Director of the Bank in terms of Article 36 of the Articles of Association of the Bank.
- v. To re-elect Dr Liyanamohottige Joseph Sri Harsha Cabral, as a Director of the Bank in terms of Article 36 of the Articles of Association of the Bank.
- vi. (a) To appoint Messrs KPMG - Sri Lanka (Chartered Accountants) as the Bank's Auditors for the ensuing year and to authorize the Directors to fix their remuneration.
(b) To authorize the Board of Directors to determine the remuneration of the auditor for the ensuing year.
- vii. To authorize the Directors to determine payments for the year 2020 for charitable and other purposes.

By order of the Board of Hatton National Bank PLC,



K A L Thushari Ranaweera (Mrs)
Deputy General Manager (Legal) / Board Secretary
Colombo, Sri Lanka.
20th February 2020

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Notes :

1. A member entitled to attend or attend and vote at the meeting, is entitled to appoint a proxy to attend or attend and vote as the case may be, in his stead.
2. A proxy need not be a member of the Company. The Form of Proxy is enclosed.
3. The completed Form of Proxy should be deposited with the Board Secretary at the Registered Office of the Company at No. 479, T.B. Jayah Mawatha, Colombo 10 (at "HNB Towers", Level 18), not less than 24 hours before the time appointed for holding the meeting.

SUMMARY OF ARTICLE 22 OF THE ARTICLES OF ASSOCIATION OF HATTON NATIONAL BANK PLC PROCEDURE ON VOTING AND HOW A POLL IS TO BE TAKEN

1. Voting at a meeting of shareholders shall, unless a poll is demanded, be by a show of hands, or voting by voice as may be determined by the Chairman.
2. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands or voting by voice as aforesaid every member who is present at the meeting shall have one (01) vote, and on a poll every member who is present in person at the meeting shall be entitled to one (01) vote for each voting share held by him.
3. A declaration by the Chairman of the meeting that a resolution is carried by the requisite majority is conclusive evidence of that fact, unless a poll is demanded.
4. At a meeting of shareholders, a poll may be demanded on a particular question as provided for in the Companies Act No.7 of 2007 by,
 - the Chairman;
 - not less than five (5) shareholders having the right to vote at the meeting; or
 - a shareholder or shareholders representing not less than ten per centum (10%) of the total voting rights of all shareholders having the right to vote at the meeting.
5. A poll may be demanded either before or after the vote is taken on a resolution. A demand for a poll may be withdrawn any time before the poll is taken.
6. If a poll is taken, votes shall be counted according to the votes attached to the shares of each shareholder present and voting.
7. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote.
8. A declaration by the Chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, and an entry made to that effect in the minute book, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such a resolution.



Hatton National Bank

[Reg No: PQ 82]

Company Secretarial Division,
Legal Department, Level 18,
"HNB Towers",
No. 479, T B Jayah Mawatha,
Colombo 10, Sri Lanka.

TO: SHAREHOLDER/S.

23rd April, 2020.

SUPPLEMENTARY NOTICE
HATTON NATIONAL BANK PLC (PQ 82)
- 51st ANNUAL GENERAL MEETING

We refer to our Annual Report – 2019, Notice of the 51st Annual General Meeting (the "AGM") dated 20th February 2020, the Circular to shareholders dated 5th March 2020 setting forth the details of the final dividend proposed by Hatton National Bank PLC (the "Bank") amounting to Rs 7/- per share consisting of a cash dividend of Rs 3/50 per share and a scrip dividend of Rs 3/50 per share and the announcement made to the Colombo Stock Exchange on 20th March 2020 postponing the said AGM due to the health and safety guidelines issued by the authorities taking in to account the prevalent situation in the country.

The above said documents are available on Bank's website <https://www.hnb.net> and Colombo Stock Exchange Website <https://www.cse.lk/home/market>

The Board of Directors at its meeting held on 23rd April 2020 decided that the 51st Annual General Meeting will be held on 29th May 2020 in the following manner:

A. DATE OF THE RESCHEDULED 51ST ANNUAL GENERAL MEETING

- (1) Notice is hereby given that the Fifty First (51st) Annual General Meeting of the Bank is convened on Friday, Twenty Ninth (29th) day of May 2020 at the Auditorium on Level 22 of "HNB Towers" at No. 479, T.B. Jayah Mawatha, Colombo 10, at 10.00 in the forenoon in order to transact the business envisaged in the Notice of Meeting dated 20th February 2020.
- (2) The meeting is to be held in line with the guidelines given by the Colombo Stock Exchange and as per the applicable laws. The AGM is scheduled for 29th May 2020, on the assumption that no curfew will be in force by such date and that there would be no restrictions imposed by the authorities on the conduct of meetings.
- (3) In the interest of protecting public health and facilitating compliance with the Health and Safety guidelines issued by the authorities, the 51st Annual General Meeting of the Bank will be held by participants assembling physically and through audio or audio and visual means in the manner set forth below:
 - (i) The Chairman, certain members of the Board of Directors, the MD/CEO, the Company Secretary, the Bank's Auditor and the Legal Counsel will be assembled at the place specified in Paragraph (1) above;
 - (ii) A maximum of 50 shareholders or such number of shareholders together holding twenty percent (20%) of the issued shares of the Bank, whichever is higher (*who registers with the Bank for participation in the Annual General Meeting on a first come first serve basis*) will also be allowed to assemble physically and participate in the meeting at the place set out in Paragraph (1) above either in person or by proxy;

- (iii) All shareholders who, on registration as referred to in (ii) above, do not get the opportunity to participate in the meeting by assembling physically at the place referred to in Paragraph (1) above and shareholders who wish to participate at the meeting remotely through audio or audio and visual means, may participate in the Annual General Meeting via Microsoft Teams meeting platform. The shareholders referred to herein who wish to participate at the meeting through audio or audio and visual means should forward their e-mail address to info@hnb.lk not less than 24 hours prior to the time fixed for the meeting to enable the Bank to share the **meeting login information**.
- (4) All individuals participating at the meeting remotely through audio or audio and visual means are required to identify themselves at the time of voting. Further, Individuals must also identify themselves when speaking at the Annual General Meeting during the time allotted for comments by shareholders as directed by the Chairman. At that point, the individual will be required to give his/her name and address for purposes of identification as a shareholder or proxy.
- (5) It is likely that the Bank will be unable to post this Supplementary Notice due to the prevailing situation in the Country. If so, this Supplementary Notice will be published in one issue of a daily newspaper in the Sinhala, Tamil and English languages and if the circumstances permit, in one issue of the Gazette. This Supplementary Notice will also be published in the Website of the Colombo Stock Exchange (<https://www.cse.lk/home/market>) and the Website (<https://www.hnb.net>) and the Facebook page of the Bank along with the separate proxy formats for voting and non- voting shareholders.
- (6) For the shareholders who wish to resubmit their proxies, the format of the proxies uploaded to the **Bank's Website** (<https://www.hnb.net>) can be duly completed as per the instructions given therein and sent to the following email address: info@hnb.lk to enable the Bank to receive same not less than 24 hours prior to the time fixed for the meeting. The duly completed proxies already submitted by shareholders prior to 30th March 2020 will be taken as valid, unless a shareholder revokes the same with a notice sent to info@hnb.lk at least 24 hours prior to the time fixed for the meeting or resubmits a further proxy as set out in this paragraph.
- (7) The Board of Directors encourages that the shareholders appoints an independent director in the Board as their proxy, having marked their preferences in respect of the agenda items. This is to avoid potential health issues which could arise in light of the prevailing situation in the Country if the shareholders are to participate at the meeting physically.
- (8) The shareholders who are unable to participate at the Meeting physically or via audio or audio and visual means could send their queries, if any, to email address info@hnb.lk any time before the meeting time and the responses to same will be included in the minutes of the meeting whilst publishing same in the Report that will be uploaded immediately after the Annual General Meeting in the Bank's Website (<https://www.hnb.net>) as well as at the Colombo Stock Exchange Website <https://www.cse.lk/home/market>.

B. RELEVANT PROVISIONS IN THE COMPANIES ACT NO 7 OF 2007 AND ARTICLES OF ASSOCIATION OF THE BANK

- (1) In terms of the Companies Act No. 7 of 2007 (the "Companies Act"), an annual general meeting of a company should be held within six months from the balance sheet date. The Companies Act further states that the annual general meeting for a particular year should be

held not later than 15 months from the previous annual general meeting. The balance sheet date of the Bank is 31st December. The last annual general meeting of the Bank was held on 29th March 2019.

- (2) Accordingly, in terms of the Companies Act, the Annual General Meeting of the Bank for year 2020 should be held on or before 29th June 2020 and therefore from a legal point of view, the Bank has time till 29th June 2020 to hold its 51st Annual General Meeting.
- (3) In terms of Article 20(ii) of the Articles of Association of the Bank, the quorum for a meeting of shareholders is the presence in person or by proxy or otherwise, at such meeting any ten (10) shareholders together holding not less than twenty *per centum* (20%) of the issued shares in the Bank.

C. PAYMENT OF DIVIDEND


- (1) For the purpose of payment of the proposed final dividend the "Dividend Entitlement Date" shall be 29th May 2020 and the "Ex-dividend Date" shall be 01st June 2020. Any changes to these dates will be announced in due course.
- (2) All provisions in the Circular to Shareholders dated 5th March 2020 shall apply for proposed cash and the scrip dividend, if approved by the shareholders.
- (3) In the event the dividend cheques cannot be posted due to any disruption of the postal services, the shareholders who have not given their account numbers/dividend instructions, could visit any of the nearest HNB Branch to obtain the cash dividend payment by cheque. Such shareholders should produce the identification and address verification details enabling the Bank officers to issue the cheques to them. However, if the postal services resume its normal services, then all such dividend cheques will be posted.

D. NOTICE OF THE ANNUAL GENERAL MEETING SCHEDULED FOR 30TH MARCH 2020

Please read the Notice of Annual General Meeting dated 20th February 2020, which is already with you, together with this Supplementary Notice.

The Notice of Annual General Meeting dated 20th February 2020 is amended by this Supplementary Notice only with regard to the date, time and modalities relating to attendance and conduct of business as contained therein.

By Order of the Board of Hatton National Bank PLC,



K A L THUSHARI RANAWEERA (MRS.)
DEPUTY GENERAL MANAGER (LEGAL)/BOARD SECRETARY

Note : For any queries regarding this Supplementary Notice, please contact (Miss) Shiromi Halloluwa (Head of Legal) on 0094 11 2661856 (Mrs) Chintha Fernando on 0094 11 2661938 or (Mrs) Swarni Liyanapathirana on 0094 11 2661941, during normal office hours (8.30a.m. to 5.00p.m).

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POSTAGE PRE-PAID

If undelivered please return to :

DGM (Legal)/Company Secretary
HATTON NATIONAL BANK PLC
Legal Department
HNB Towers - Level 18
No: 479, T B Jayah Mawatha
Colombo 10
Sri Lanka