

MERCANTILE INVESTMENTS AND FINANCE PLC
NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Shareholders of Mercantile Investments & Finance PLC (MERC) will be held as a virtual meeting on the 21st of April 2026 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolution as an Ordinary Resolution.

AGENDA

ORDINARY RESOLUTION

RIGHTS ISSUE OF ORDINARY VOTING SHARES

IT IS HEREBY RESOLVED as an **Ordinary Resolution** that

- a) MERC do issue upto Thirty Three Million Four Hundred Thousand (33,400,000) New Ordinary Voting Shares at Rupees Thirty Three (Rs.33.00) per share by way of a Rights Issue to the registered Ordinary Shareholders of the Company as at the end of trading on Record Date/ Date of Entitlement, which is the 2nd market day from and excluding the EGM date in the proportion of One (01) New Ordinary Voting Share for every Eighteen (18) Existing Ordinary Voting Shares held by them, which price is in the opinion of the Directors fair and reasonable to the Company and to the existing Shareholders, with the right to request for additional shares and the right to renounce only in favor of the Central Depository Systems (Private) Limited (CDS).
- b) fractions of New Ordinary Shares, if any, arising pursuant to the application of the formula referred to on Page No 02 (Section 2) of the Circular to the Shareholders dated 26th of March 2026 shall be ignored for the allotment of rights, and the rights entitlement of these fractional shares shall be pooled together and such pooled shares shall be made available for allotment at the same price to the respective Existing Shareholders who apply for additional shares (as the case may be), and at the discretion of the Board of Directors on a fair and reasonable basis;
- c) such New Ordinary Shares not duly subscribed for partly or fully as at the last date of acceptance specified in the Provisional Letter of Allotment and/or where the Letter of Acceptance and Registration is rejected by the Company as invalid be deemed to have been declined, and such declined shares shall be made available for allotment at the same price to the applicants of additional Rights and, Board of Directors have the discretion to allot any remaining unsubscribed shares under the Rights Issue, after fully allotting to all the applicants for Additional Rights, on a preferential basis either to the major shareholder (This can have an impact on the public holding percentage of MERC (as per Section 7.13 of the CSE Listing Rules), In such an event the major shareholders intend to take the necessary action to rectify the holding to comply with the public holding requirement.), or to any other existing shareholder/s, on a fair and reasonable basis, so that it is fully subscribed. **AND**

- d) the New Ordinary Shares so provisionally allotted, upon due subscription and final allotment, and provided due payment has been received therefor, shall rank equal and pari passu in all respects with the existing issued and fully paid Ordinary Shares of the Company, including the right to participate in any distribution declared or carried out by the Company pursuant to the final allotment of the new shares, which shall take place subsequent to the last date of acceptance and payment, and shall thereupon, for all purposes, constitute an increase in the Stated Capital of the Company .

**BY ORDER OF THE BOARD,
MERCANTILE INVESTMENTS & FINANCE PLC**



S.PETHIYAGODA
COMPANY SECRETARY

26th March 2026

Notes :

1. A member who is entitled to attend and vote at the above mentioned meeting is entitled to appoint a proxy who need not also be a member to attend instead of him/her.
2. A form of Proxy is enclosed herewith
3. The completed Proxy Form should be deposited at the Registered Office of the Company at No.236, Galle Road, Colombo 3 not less than 48 hours before the time fixed for holding the meeting