

**SriLankan Airlines Limited Announces Termination of Consent Solicitation in relation to its  
U.S.\$175,000,000 7.00 per cent. Guaranteed Bonds due 2024**

**SriLankan Airlines Limited**

*(incorporated in the Democratic Socialist Republic of Sri Lanka with limited liability under registration  
number PB67)*

(the "**Issuer**")

to all holders of the Issuer's U.S.\$175,000,000 7.00 per cent. Guaranteed Bonds due 2024, ISIN:  
XS2010609662 (the "**Bonds**" and the holders thereof, the "**Bondholders**")

The Issuer has today announced the termination of its previously announced solicitation of consents as described in a consent solicitation statement dated 22 December 2022 (the "**Consent Solicitation Memorandum**") in respect of the Bonds for the purpose of soliciting consent from the Bondholders to the modification of the terms and conditions (the "**Conditions**") of the Bonds and consequential or related amendments to the Trust Deed for the Bonds such that: (i) a modification of Schedule 4 of the Trust Deed (*Provisions for Meetings of Bondholders*) to reduce the number of days required between a meeting and an adjourned meeting from "not less than 14 nor more than 42 days" to "not less than 4 nor more than 42 days" and to reduce the number of days notice required for such an adjourned meeting from 10 days to 4 days (the "**Preliminary Proposal**"); (ii) a 12 month deferral of interest payments such that interest due on 25 December 2022 and 25 June 2023 be deferred until 25 December 2023 (in respect of the Bonds, the "**First Proposal**"); (iii) a temporary 12 month waiver of the Events of Default continuing as at the date hereof (in respect of the Bonds, the "**Second Proposal**"); and (iv) an amendment to allow holders of not less than 50 per cent, of the aggregate principal amount of the Bonds then outstanding to direct the Trustee in writing to rescind and annul any notice given by the Trustee to the Issuer to accelerate the Bonds following the occurrence of an Event of Default (in respect of the Bonds, the "**Third Proposal**" and, together with the Preliminary Proposal, the First Proposal and the Second Proposal, the "**Proposals**")), each as proposed by the Issuer for approval by extraordinary resolutions of the Bondholders (the extraordinary resolution in respect of the Preliminary Proposal, the "**Preliminary Extraordinary Resolution**", the extraordinary resolution in respect of the First Proposal, the "**Extraordinary Resolution I**", the extraordinary resolution in respect of the Second Proposal, the "**Extraordinary Resolution II**" and the extraordinary resolution in respect of the Third Proposal, the "**Extraordinary Resolution III**" and, together with the Preliminary Extraordinary Resolution, Extraordinary Resolution I and Extraordinary Resolution II, the "**Extraordinary Resolutions**"), as further described in the Consent Solicitation Memorandum (the "**Consent Solicitation**").

Capitalised terms used but not defined herein shall have the meanings set out in the Consent Solicitation Memorandum, which is available on the Consent Website: <https://projects.morrowsdali.com/srilankanairlines>.

Pursuant to its sole discretion in accordance with the terms and conditions set out in the Consent Solicitation Memorandum, the Issuer has terminated the Consent Solicitation with immediate effect. As a result of the termination, no Full Consent Fee, Partial Consent Fee or Participation Fee will be paid or become payable to holders of the Bonds who have delivered Electronic Voting Instructions and Ineligible Bondholder Instructions. All Electronic Voting Instructions and Ineligible Bondholder Instructions previously delivered are deemed to have been revoked automatically, and Bonds subject to any such Electronic Voting Instructions and Ineligible Bondholder Instructions will be unblocked promptly in the relevant accounts in the Clearing Systems. The Trust Deed and Guarantee will remain in their present form and will not be amended, and the Preliminary Supplemental Trust Deed and Supplemental Trust Deed will not become effective.

Notwithstanding the termination of the Consent Solicitation, the Meetings may not be cancelled as such and will therefore still be held. However, it is the Issuer's intention not to table the Extraordinary Resolutions at the Meetings and even if any Extraordinary Resolutions were to be tabled and passed at a Meeting (or any adjourned Meeting), the Issuer does not intend to enter into any documentation implementing any such Extraordinary Resolution.

The Issuer appreciated the opportunity to engage with the Bondholders as a result of the Consent Solicitation and following its termination intends to communicate with Bondholders in due course.

The Trustee expresses no opinion on, and assumes no responsibility or liability in respect of, the content of this announcement.

Bondholders should contact the following for further information:

**The Information and Tabulation Agent**

Morrow Sodali Limited,

*In London:* 103 Wigmore Street, W1U 1QS, Telephone: +44 20 4513 6933

*In Hong Kong:* The Hive, 33-35 Hillier Street, Sheung Wan, Telephone: +852 2319 4130

*In Stamford:* 333 Ludlow Street, South Tower, 5th Floor, Stamford, CT 06902, United States of America: +1 203 609 4910

Email: [srilankanairlines@investor.morrowsodali.com](mailto:srilankanairlines@investor.morrowsodali.com)

Consent Website: <https://projects.morrowsodali.com/srilankanairlines>

**The Principal Paying Agent**

Deutsche Bank AG, Hong Kong Branch, Level 60 International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

This Notice is given by

**SriLankan Airlines Limited**

Dated 17 January 2023.

**Announcement authorised for release by Richard Nuttall, Chief Executive Officer.**