



**HEMAS HOLDINGS PLC**

(COMPANY REGISTRATION NO. PQ 6)

'HEMAS HOUSE' NO. 75, BRAYBROOKE PLACE, COLOMBO 02

**EXTRAORDINARY GENERAL MEETING**

**30<sup>TH</sup> JUNE 2021**

**CIRCULAR TO SHAREHOLDERS**

**Contents**

Circular to Shareholders

Notice of Meeting

Form of Proxy

Shareholder Registration Form



# Hemas Holdings PLC- (PQ 6)

'Hemas House' No. 75, Braybrooke Place, Colombo 02

## Circular to Shareholders

### PROPOSED EMPLOYEE SHARE OPTION SCHEME OF 2021 ("ESOS 2021")

Dear Shareholder/s,

We wish to inform you that the Board of Directors of Hemas Holdings PLC (the "Company") has duly resolved to convene an Extraordinary General Meeting ("EGM") of the Company to be held immediately after the conclusion of the Annual General Meeting on **Wednesday, 30<sup>th</sup> June 2021** at 3.30p.m. as a **virtual EGM** emanating from the Registered Office of the Company located at 'Hemas House' No. 75 Braybrooke Place, Colombo 02 for the purpose of enabling the Shareholders to consider and if thought fit to pass the resolution set out in the attached Notice of Meeting.

#### Background

Hemas Holdings PLC (the "Company") has with the approval of its Shareholders successfully implemented a previous Employee Share Option Scheme which was introduced in 2015. Given the success of the said previous ESOS Schemes, which have been of mutual benefit to both employees and shareholders of the Company, the Company's Board of Directors with the approval in principle of the Colombo Stock Exchange, proposes to introduce an ESOS for the year 2021 ("ESOS 2021") subject to the Regulatory and Shareholder approval being obtained, therefore.

The main objective of ESOS 2021 is to create long term value creation in the Company. The Company is also hopeful that this will enable it to attract the top talent necessary for the development of its overall business.

The salient terms governing the ESOS 2021 are set out herein and are subject to the provisions of applicable Statutes, the Listing Rules of the Colombo Stock Exchange ("CSE") and other applicable rules and regulations of the regulatory bodies.

#### Salient Features of ESOS 2021

(i) **Option**

ESOS 2021 will entitle Eligible Employee to Grants to subscribe and purchase Shares of the Company under the Scheme. The Grants shall be based on criteria that may be formulated by the Board of Directors from time to time.

(ii) **Quantum of Share Options to be Granted**

ESOS 2021 will comprise Thirteen Million and Five Hundred Thousand (13,500,000) Ordinary Shares amounting to Two Point Two Six per centum (2.26%) of the total issued and fully paid ordinary voting shares of the Company, which amounts to Five Hundred and Ninety-Six Million Five Hundred and Forty-Six Thousand and Twenty-Five ordinary voting shares of the Company as of 31<sup>st</sup> March 2021.

The number of shares to be issued, including those which have been allotted previously under an ESOS/ESOP Scheme will not exceed five percent (5%) of the total issued shares of the Company.

The number of shares which a grantee is entitled to acquire shall not be more than 1% of the total issued shares of the Company.

# Circular to Shareholders

In the event the Company does not utilize entire quantum of Thirteen Million and Five Hundred Thousand (13,500,000) Ordinary Shares for the ESOS scheme the un-utilized Ordinary shares shall be cancelled at the end of the Grant period, 19th July 2026.

## (iii) Eligibility Criteria

The ESOS 2021 is applicable to Eligible Employees, who are employees of a company in the Hemas Group (i.e. the Company and subsidiaries of the Company as identified by the Board whose employees are eligible to participate in the Scheme). The specific criteria for making such Grants to Eligible Employees shall be determined by the Board of Directors or the remuneration committee or such other authorized committee of the board of directors of Company based on the criticality and the potential of the role of the Eligible Employee.

## (iv) Grant Period

The Grant Period under the ESOS 2021 shall commence on 20th July 2021 and end on 19th July 2026.

## (v) Vesting Period

The Vesting Period under the ESOS 2021 shall be the period of one year from the grant date when the shares are vested to any Eligible Employee which shall be no later than 19th July 2026.

## (vi) Exercise Period

The Exercise Period will commence on the day immediately after the last day of a Vesting Period of such Grant and end on the fifth anniversary of such date.

## (vii) Pricing Formula

The purchase of Shares underlying a Vested Option shall be the volume-weighted average price taking into consideration all the transactions of the Shares during the thirty (30) Market Days immediately preceding the Grant Date, subject to any adjustment as may be required In the event of any increase in the number of Shares (example by way of the rights issue, issue of Shares as fully paid by the capitalization of reserves and subdivision of Shares etc.) or decrease in the number of Shares (example consolidation or repurchase of Shares) howsoever taking place during the Vesting Period or Exercise Period.

## (viii) Cancellation

Options which are vested but not exercised will lapse if (a) the Option holder ceases to be an Eligible Employee during the Vesting Period due to death, resignation, retirement, termination, retrenchment or a company ceasing to be an Eligible Subsidiary or for any other cause whatsoever or (b) the Option holder accepts a grant of options or shares or accepts an offer for shares or options or purchases shares in an Eligible Subsidiary under a share purchase scheme or share option scheme or any other incentive scheme of whatsoever nature of such Eligible Subsidiary established for the benefit of its employees or executive directors or (c) an Option holder is served with notice of suspension from service or notice of interdiction from service or notice of compulsory leave or notice of termination of service from any company in Hemas Group for misconduct or breach of discipline or breach of ethics or breach of any written law irrespective of whether or not such notice is contested or disputed by the Option holder in a court or tribunal or any other forum of whatsoever nature PROVIDED HOWEVER if such notice is subsequently revoked or withdrawn by such company in Hemas Group within the Vesting Period such Option shall be deemed never to have lapsed within the Vesting Period. Subject to adjustments to the ESOS Scheme stated under Section (vii) above the Company will not vary the terms of this ESOS approved by the Exchange.

# Circular to Shareholders

The Board confirms that any Employees who hold shares issued under an ESOS/ESOP scheme which was funded by the company or any of its subsidiaries in the past and an employee share trust shall not vote on the resolution to be passed in accordance with Rule 5.6.3. (b) of CSE Listings Rules.

The Board further confirms that neither Hemas Holdings PLC nor any of its subsidiaries will directly or indirectly provide funds for the ESOS.

## **Approval for the Scheme**

The Board of Directors of the Company, having considered the overall benefits to the Company and its employees arising from the ESOS 2021, recommends the same for the approval of the Shareholders as required by Rule 5.6 of the Listing Rules of the CSE.

## **Requirements under the Companies Act No. 07 of 2007 and the Articles of Association of the Company**

Article 6 of the Articles of Association of the Company provides that the Shareholders of the Company may by special resolution waive their pre-emptive rights to new issues of shares and thereby authorize the issue of shares for the purpose of the Employee Share Options Scheme. Accordingly, such approval is sought from shareholders for such purpose.

**BY ORDER OF THE BOARD OF HEMAS HOLDINGS PLC**  
**Hemas Corporate Services (Private) Limited**

A handwritten signature in black ink, consisting of a stylized, cursive name followed by a horizontal line.

**Secretaries to Hemas Holdings PLC**  
4<sup>th</sup> June 2021



# Notice of Meeting

## EXTRAORDINARY GENERAL MEETING EMPLOYEE SHARE OPTION SCHEME – 2021

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“EGM”) of Hemas Holdings PLC will be held immediately after the conclusion of the Annual General Meeting on **Wednesday, 30<sup>th</sup> June 2021** at 3.30p.m. as a **virtual EGM** emanating from the Registered Office of the Company located at ‘Hemas House’ No. 75 Braybrooke Place, Colombo 02 for the following purposes:

### 1. RESOLUTION NO. 1

#### **ESTABLISHMENT OF THE EMPLOYEE SHARE OPTION SCHEME – 2021**

To consider and if thought fit to pass the following resolution by way of a Special Resolution:

“**THAT** the Employee Share Option Scheme – 2021 as detailed out in the ‘Circular to Shareholders – Proposed Employee Share Option Scheme 2021 (ESOS– 2021)’ dated 4<sup>th</sup> June 2021 be established by Hemas Holdings PLC subject to and based on the terms and conditions stated therein.”

### 2. RESOLUTION NO. 2

#### **WAIVER OF PREEMPTION RIGHTS OF NEW SHARES TO BE ISSUED UNDER THE EMPLOYEE SHARE OPTION SCHEME 2021 TO PARTIES OTHER THAN EXISTING SHAREHOLDERS IN TERMS OF ARTICLE 6 OF THE ARTICLES OF ASSOCIATION.**

To consider and if thought fit to pass the following resolution by way of a Special Resolution:

“**THAT** the Board of Directors of Hemas Holdings PLC be and is hereby authorized to allot and issue from time to time new ordinary voting shares under and pursuant to the Employee Share

Option Scheme 2021 (ESOS 2021) established in terms of the ‘Circular to Shareholders – Proposed Employee Share Option Scheme 2021 (ESOS– 2021) dated 4<sup>th</sup> June 2021, subject to the terms and conditions stated therein, and accordingly the pre-emptive rights of the Shareholders in relation to new issues of shares and the consequent necessity to offer such new shares first to the existing Shareholders of the Company pro-rata to the existing shareholding and in a manner which would if accepted maintain the relative voting and distribution rights of such Shareholders be and is hereby waived in pursuance to Article 6 of the Articles of Association”

**By order of the Board of  
HEMAS HOLDINGS PLC  
Hemas Corporate Services (Private) Limited**



**Secretaries to Hemas Holdings PLC**

4<sup>th</sup> June 2021

# Notice of Meeting

## **Instructions to Shareholders for participation at the Virtual Extraordinary General Meeting**

The Board of Directors, having taken note of the health and safety guidelines issued by health authorities of Sri Lanka in view of the Covid- 19 pandemic and the guidelines on holding virtual Shareholder Meetings, issued by the Colombo Stock Exchange, has decided to hold the Extraordinary General Meeting (EGM) through Audio or Audio/Visual means in conformity with the regulatory provisions of the Company.

Shareholders who wish to participate at the Virtual EGM through the Online Platform are kindly requested to complete and forward the Annexure 1 information attached hereto to the email address [peshalaf@hemas.com](mailto:peshalaf@hemas.com) with the email subject titled "Hemas Holdings EGM 2021" or post it to the registered address mentioned below not less than 3 days before holding of the meeting. Shareholders are requested to provide their email address in the space provided in the annexure in order to forward the web link if they wish to view the proceedings through an online platform.

The Chairman and certain members of the Board, the Company Secretary and key officials essential for the administration of formalities and conduct the meeting may be physically present at the Registered Office.

Voting on the items listed in the Agenda will be registered by using an online platform or a designated ancillary online application. All of such procedures will be explained to the shareholders prior to the commencement of the meeting.

A Shareholder who wishes to appoint a member of the Board of Directors as his/her proxy to represent him/her at the EGM may do so by completing the Form of Proxy, in such event the email address of the proxyholder will not be required.

Shareholders may send their questions/comments on the items listed in the Agenda of the Notice convening the EGM by email to [peshalaf@hemas.com](mailto:peshalaf@hemas.com) or by post to Company Secretarial Division, 9th Floor 'Hemas House', No. 75 Braybrooke Place, Colombo 02 not less than 3 days before holding of the meeting.

The instrument appointing a proxy should be deposited at the Registered Office at 'Hemas House' No. 75, Braybrooke Place Colombo 02 not less than 48 hours before holding of the meeting or scanned and emailed to [peshalaf@hemas.com](mailto:peshalaf@hemas.com).

Only registered shareholders and registered proxy holders will be permitted to log in and participate in the virtual EGM.

The Circular to Shareholders, Form of Proxy and the Shareholder Information Form will be hosted in the Company's Website [www.hemas.com](http://www.hemas.com). The same will be hosted in the Website of the Colombo Stock Exchange [www.cse.lk](http://www.cse.lk).

The date fixed for the EGM will not be affected even if a public holiday is declared on such date since arrangements will be in place to proceed via online platform.



# Form of Proxy

I/We.....  
 .....of.....  
 ..... being a Member/s of Hemas Holdings PLC do  
 hereby appoint Mr/Mrs/Miss.....  
 .....of.....  
 ..... whom failing

- |   |              |
|---|--------------|
| Mr. Husein Nuruddin Esufally of Colombo 7               | whom failing |
| Ms. Kasturi Chellaraja Wilson of Colombo 6              | whom failing |
| Mr. Abbasally Nuruddin Esufally of Colombo 7            | whom failing |
| Mr. Intiaz Abidhusein Hassanally Esufally of Colombo 7  | whom failing |
| Mr. Murtaza Abidhusein Hassanally Esufally of Colombo 5 | whom failing |
| Dr. Sumitha Anura Bandara Ekanayake of Nugegoda         | whom failing |
| Mr. Amitha Saktha Amaratunga of Colombo 7               | whom failing |
| Mr. Jyotindra Manibhai Trivedi of Colombo 2             | whom failing |
| Mr. Sriyan de Silva Wijeyeratne of Dehiwela             |              |

as \*my/our Proxy to \*speak and /to vote for \*me/us on \*my/our behalf at the Extraordinary General Meeting (“EGM”) of Hemas Holdings PLC (“the Company”) to be held immediately after the conclusion of the Annual General Meeting of the Company to be held on Wednesday the 30<sup>th</sup> day of June, 2021 at 3.30 p.m., as a virtual EGM emanating from the Registered Office of the Company located at ‘Hemas House’ No.75 Braybrooke Place Colombo 02 and at any adjournment thereof.

I/We hereby authorize my/our proxy to vote for me/us and on my/our behalf in accordance with the preferences indicated below:

	For	Against
1. To pass the Special Resolution as set out in the notice convening the Extraordinary General Meeting, to approve establishment of the Employee Share Option Scheme – 2021	<input type="checkbox"/>	<input type="checkbox"/>
2. To pass the Special Resolution as set out in the notice convening the Extraordinary General Meeting, for waiver of preemption rights of new shares to be issued under the Employee Share Option Scheme 2021 to parties other than existing shareholders in terms of article 6 of the articles of association.	<input type="checkbox"/>	<input type="checkbox"/>

\*The Proxy may vote as he/she thinks fit on any other resolution brought before this Meeting

.....  
*Signature/s and Date*

.....  
*NIC No/PP No*

**Note:** Please delete the inappropriate words.

**INSTRUCTIONS AS TO COMPLETION OF THE PROXY IS ON THE REVERSE**

# Form of Proxy

## INSTRUCTIONS AS TO COMPLETION OF FORM OF PROXY

1. Kindly perfect the Form of Proxy after filling in legibly your full name and address and by signing in the space provided. Please fill in the date of signature.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of him/her.
3. In the case of Corporate Members, the Form of Proxy must be completed under the Common Seal, which should be affixed and attested in the manner prescribed by the Articles of Association /Statutes.
4. If the Form of Proxy is signed by an Attorney, the relevant Power of Attorney should also accompany the completed Form of Proxy.
5. 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 'Hemas House' No. 75 Braybrooke Place, Colombo 02;  
or
  - (ii) Scanned and emailed to the email address: peshalaf@hemas.com with the email subject titled **"HEMAS HOLDINGS PROXY"**

not less than 48 hours before the time appointed for the holding of the EGM together with the following information.

CDS Account Number of the Shareholder (s)	
Shareholder's contact number/s	
Land line (residence/work): Mobile:	
Email address to which the on-line link should be forwarded for the proxy holder's participation at the EGM	
Proxy holder's NIC number	

Folio/CDS Account Number

**Hemas Holdings PLC**  
**Extraordinary General Meeting – 2021**

# Registration of Shareholder Information

1. Full Name of the Shareholder: .....

2. Address of the Shareholder: .....

3. Shareholder's NIC/Passport/Co. Reg. No.:

4. Shareholder's Contact No.

Residence		Mobile	
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5. Name of the Proxyholder: .....

6. Proxyholder's NIC/Passport No.:

7. Shareholder's/Proxyholder's E-mail Address: .....

8. Participation at AGM via Online Platform Yes/No

9. Name of Joint holders if any

a. ....

b. ....

10. NIC/Passport Nos of Joint holder

a. .... b. ....

.....  
Principal Shareholder  
*Signature & Date*

.....  
1st Joint holder  
*Signature & Date*

.....  
2nd Joint Holder  
*Signature & Date*

