

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO, OR TO ANY PERSON LOCATED OR RESIDENT IN, ANY JURISDICTION WHERE IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS ANNOUNCEMENT OR THE MEMORANDUM (AS DEFINED BELOW).

20 March 2026

SRILANKAN AIRLINES LIMITED

CONSENT SOLICITATION AND MANDATORY EXCHANGE, TOGETHER WITH A RELATED TENDER OFFER, OF THE U.S.\$175,000,000 7.00% GUARANTEED BONDS DUE 2024 (ISIN: XS2010609662; COMMON CODE: 201060966) ON THE TERMS AND SUBJECT TO THE CONDITIONS SET OUT IN THE TENDER, CONSENT AND EXCHANGE MEMORANDUM DATED 20 FEBRUARY 2026 (THE “MEMORANDUM”)

On 20 February 2026, SRILANKAN AIRLINES LIMITED (the “**Issuer**”) announced that it was soliciting consents (the “**Consent Solicitation**”) from each Eligible Holder (subject to certain offer and distribution restrictions referred to below) of the Issuer’s U.S.\$175,000,000 7.00 per cent. Guaranteed Bonds due 2024 (the “**Existing Bonds**”) to consider and, if thought fit, pass the Extraordinary Resolution at the Meeting to approve, inter alia, (i) the exchange of the Existing Bonds for New Republic Bonds on a mandatory basis (the “**Exchange**”) and (ii) the application of the Consideration Allocation Mechanism. In connection with, and conditional upon, the passing of the Extraordinary Resolution, the Issuer also invited Eligible Holders to (i) tender their Existing Bonds for purchase by the Issuer for cash (the “**Tender Offer**”), subject to the Tender Cap and (ii) participate in the Exchange, in each case subject to the application of the Consideration Allocation Mechanism. The Consent Solicitation, Exchange and Tender Offer, each as further described in the Memorandum and as more fully set out in the Extraordinary Resolution, shall together constitute the “**Invitations**”.

The Invitations were made on the terms and subject to the conditions set forth in the Memorandum. Unless otherwise defined, capitalised terms used in this announcement shall have the meanings given to them in the Memorandum.

Reference is also made to the announcement published by the Issuer on 18 March 2026, where the Issuer gave notice to Holders that the Extraordinary Resolution in respect of the Existing Bonds set out in the Notice of Meeting dated 20 February 2026 was duly passed at the Meeting held on 18 March 2026.

The Conditions to Effectiveness have been satisfied or, to the extent capable of being waived, waived by the Issuer (in its sole and absolute discretion, acting reasonably).

The Extraordinary Resolution shall be binding on all the Bondholders, whether or not present at the Meeting and whether or not voting, and each of them shall be bound to give effect to it accordingly.

The implementation of the Tender Offer and the Extraordinary Resolution and the other transactions contemplated by the Invitations, including the settlement of the Tender Consideration and the Exchange, are conditional upon satisfaction (as determined by the Issuer in accordance with the terms of the Invitations and acting reasonably) of the Settlement Conditions.

As of the Invitation Deadline, being 5:00 p.m. (London time) on 16 March 2026, the aggregate principal amount of Existing Notes in respect of which the Issuer had received valid Tender Instructions, Voting

Instructions or Settlement Instructions amounted to U.S.\$173,650,000, of which U.S.\$ 170,278,000 was received from Voluntary Bondholders and representing a participation rate of 99.23%.

The Issuer accepts for purchase Existing Bonds validly tendered as of the Invitation Deadline and allocates the Tender Consideration on a pro rata basis. Voluntary Bondholders will receive New Republic Bonds with a nominal amount equal to U.S.\$1,444.03 for each U.S.\$1,000 of the Existing Bonds that are not accepted for purchase while Non-Voluntary Bondholders will receive New Republic Bonds with a nominal amount equal to U.S.\$1,274.15 for each U.S.\$1,000 of the Existing Bonds.

Description of the Existing Bonds	Principal Amount tendered for purchase	Principal Amount tendered and accepted for purchase	Scaling Factor	Approximate Total Tender Consideration per U.S.\$1,000 principal amount of Existing Bonds tendered and accepted for purchase ⁽¹⁾	Principal Amount tendered but not accepted for purchase, and exchanged for New Republic Bonds
U.S.\$175,000,000 7.00 per cent. Guaranteed Bonds due 2024	U.S.\$170,278,000	U.S.\$54,444,000	31.9920%	U.S.\$1,045.66	U.S.\$115,834,000

⁽¹⁾ This amount has reflected the deduction of the AHG Legal Fees from the Tender Consideration that would otherwise be payable to the Voluntary Bondholders on a pro rata basis. For the avoidance of doubt, no amount (in cash, New Republic Bonds or otherwise) whatsoever shall be payable to the Voluntary Bondholders in lieu of, or as compensation for, such deduction.

The Issuer will pay the Tender Consideration for all Existing Bonds validly tendered and accepted for purchase pursuant to the Tender Offer on the Settlement Date. The New Republic Bonds will be delivered on the Settlement Date to the relevant Clearing Systems and by those Clearing Systems to the relevant Settlement Accounts. The Settlement Date is expected to occur on 20 March 2026.

Following the passing of the Extraordinary Resolution, all Existing Bonds will be cancelled on the Settlement Date. The aggregate nominal amount of New Republic Bonds to be issued by the Republic on the Settlement Date will be U.S.\$173,284,291⁽²⁾, of which: (x) U.S.\$167,943,056 will be delivered to Eligible Holders of Existing Bonds who had submitted (or arranged to have submitted on their behalf) valid Settlement Instructions on or before the Invitation Deadline; and (y) U.S.\$5,341,235 will be delivered to the Holding Period Trustee. Eligible Holders who did not submit (or arrange to have submitted on their behalf) Settlement Instructions on or before the Invitation Deadline will be subject to the Holding Period Arrangement as described further in the Memorandum. Ineligible Holders will be subject to the Cash Proceeds Arrangement as described further in the Memorandum.

⁽²⁾ The New Republic Bonds are subject to the amortization factor of 73%, reflecting the two amortizations of the Republic Bonds that have occurred since issuance on 20 December 2024. Please refer to the Memorandum for further details.

The Financial Adviser in respect of the Invitations is:

Lazard Frères
175, Boulevard Haussmann,
75008 Paris
France

The Information, Tender, Tabulation and Exchange Agent in respect of the Invitations is:

Sodali & Co Limited

In London:
103 Wigmore Street
London W1U 1QS
United Kingdom
Telephone: +44 20 4513 6933

In Hong Kong:
1401, 14/F
90 Connaught Road Central
Sheung Wan
Hong Kong
Telephone: +852 2319 4130

Email: srilankanairlines@investor.sodali.com

Transaction Website: <https://projects.sodali.com/srilankanairlines>