

This Circular has been prepared in compliance with provisions of the Companies Act, Cap.46:03, Laws of Malawi (the "Companies Act"), the Securities Act, Cap 46:06, Laws of Malawi (the "Securities Act"), Articles of Association of Blantyre Hotels plc (the "Company"), and the Malawi Stock Exchange (the "MSE") Listings Requirements¹.

A copy of the Circular has been delivered to the Registrar of Companies ("RoC") and the Registrar of Financial Institutions ("RoFI"). The RoC and the RoFI have not checked and will not check the accuracy of any statements made. They accept no responsibility therefor or for the financial soundness of the Company or the current value of the Company's shares. The RoC and the RoFI received this Circular on Thursday, 10 October 2024.

THIS CIRCULAR IS VERY IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you have any doubts about the course of action to be taken, you should immediately consult your stockbroker, banker, legal advisor, accountant, or other professional advisors.

ACTION REQUIRED

1. Shareholders must attend the extraordinary general meeting (the "EGM"), scheduled to take place on Thursday, 10 October 2024, at Ryalls Hotel in Blantyre at 2.30 pm in person or through proxy, and vote most preferably in favor of the proposed transaction. For a detailed understanding, refer to page 1 of this of this Circular.
2. If you have disposed of all of your shares in the Company, please forward this Circular, together with the Notice of Extraordinary General Meeting, to your broker or agent through whom the disposal was effected.






BLANTYRE HOTELS plc
(Incorporated in Malawi on 29 October 1965)
(Company Registration Number 178)
(Share code: BHL)

SUPPLEMENTAL CIRCULAR TO SHAREHOLDERS

(On the approval of the proposed Rights Offer of up to 7,000,000,000 new ordinary shares to the existing shareholders of the Company as well as members of the general public with a green shoe option and adoption of the Company's audited financial statements for the six months to 30 June 2024 and increase of the Company's authorized share capital as precursors to the Rights Offer).

(This Circular Is supplemental to the Circular Issued on 20 September 2024, which was Issued before the Directors approved the Company's audited financial statements to 30 June 2024 and the comment of the Reporting Accountants thereon).

 <p>NICO Capital</p> <p>Joint Lead Advisor</p>	 <p>Bridgepath Capital Invest to Achieve</p> <p>Joint Lead Advisor</p>
 <p>WILSON & MORGAN</p> <p>Legal Advisor</p>	 <p>CONTINENTAL CAPITAL</p> <p>Sponsoring Broker</p>

The directors of the Company whose names appear on page 21 of this Circular, collectively and individually accept full responsibility for the accuracy of the information given in this Circular and certify that, to the best of their knowledge and belief, there are no facts the omission of which would make any statement in this Circular false or misleading and that they have made all reasonable inquiries to ascertain such facts and that this Circular contains information required by law.

Additional copies of the Circular can be obtained from the registered office of the Company, the Sponsoring Broker, as well as in electronic form from the Company's website, www.blantyrehotels.mw, from 4 October 2024 up to and including 10 October 2024.

Disclaimer

The transaction Joint Lead Advisors and the Legal Advisor are acting exclusively for Blantyre Hotels plc. No one else in connection with the proposed transaction will be responsible to anyone other than Blantyre Hotels Plc for providing the protections afforded to clients of the Joint Lead Advisors and Legal Advisor, respectively, nor for providing advice concerning the proposed transactions.

(The Company does not accept responsibility and shall not be held liable for any action of or omission by any broker or agent, including, without limitation, any failure on the part of the broker or agent of any beneficial owner of the shares to notify such beneficial owner of the details set out in this Circular.)

This Supplemental Circular is dated 4 October 2024.

¹ Revised April, 2023.

CORPORATE INFORMATION AND ADVISORS

LR 4.14

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IMPORTANT INFORMATION, DISCLAIMERS AND FORWARD-LOOKING STATEMENTS

General notice

This Circular is not for distribution, directly or indirectly, in or into any jurisdiction outside of Malawi if such distribution is restricted or prohibited by, or would constitute a violation of, the relevant laws or regulations of such jurisdiction. If the distribution of this Circular and any accompanying documentation in or into any jurisdiction outside Malawi is restricted or prohibited by or would constitute a violation of, the laws or regulations of any such jurisdiction, this Circular is deemed to have been sent for information purposes only and should not be copied or redistributed. Further, any persons who are subject to the laws of any jurisdiction other than Malawi should inform themselves about and observe any applicable requirements or restrictions. Any failure to comply with the applicable requirements or restrictions may constitute a violation of the securities laws of any such jurisdiction.

The contents of this Circular have not been reviewed by any regulatory authority other than the MSE. This Circular does not take into account the investment objectives, financial situation, or needs of any particular person. Further, the contents of this Circular do not constitute legal advice or purport to comprehensively deal with the legal, regulatory, and tax implications of the resolutions proposed herein or any other matter for each Shareholder. Shareholders are accordingly advised to consult their professional advisors about their personal legal, regulatory, and tax positions regarding the matters contained in this Circular.

In connection with the Rights Offer, each of the Advisors and any of their respective affiliates, acting as an investor for its account, may take up Rights Shares and, in that capacity, may retain, purchase, or sell for its account such securities and any Rights Shares or related investments and may offer or sell such Rights Shares to any of the Advisors or any of their respective affiliates acting in such capacity. None of the Advisors intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

Forward-looking statements

This Circular also contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking statements. These statements include information concerning the Company's financial condition, the Company's results of operations and businesses, strategy, plans, and objectives. Words such as "anticipates," "expects," "intends," "plans," "believe," "seeks," "estimates," "targets," "may," "continue," "project" and similar expressions, as well as statements in the future tense, identify forward-looking statements. These forward-looking statements are not guarantees of the Company's future performance and are subject to assumptions, risks, and uncertainties that could cause actual future results to differ materially from those expressed in or implied by such forward-looking statements. Many of these assumptions, risks, and uncertainties relate to facts that are beyond the Company's ability to control or estimate precisely, such as changes in laws or regulations and decisions by governmental bodies or regulators; breaches of, or changes in, environmental, climate change and health and safety laws or regulations; performance against regulatory targets and standards, including delivery of costs and efficiency savings; customers and counterparties failing to perform their obligations; and unseasonable weather affecting agricultural production. Other factors that could cause actual results to differ materially from those described in this prospectus include fluctuations in exchange rates, interest rates, commodity price indices, and settlement of hedging arrangements; adverse changes and volatility in the national credit markets; deflation or inflation; the loss of key personnel or the inability to attract, train or retain qualified personnel; new or revised accounting standards, rules and interpretations, including changes of law and accounting standards that may affect the Company's effective rate of tax; incorrect assumptions or conclusions underpinning business development activity, and any unforeseen significant liabilities or other unanticipated or unintended effects of such activities and the performance of the Company's subsidiaries. The effects of these factors are difficult to predict. New factors emerge from time to time, and the Company cannot assess the potential impact of any such factors on the Company's activities or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement.

These forward-looking statements speak only as of the date of this Circular. Except as required by the RoFI, the MSE, the MSE Listings Requirements, or applicable law, the Company does not have any obligation to update or revise any forward-looking statement publicly, whether as a result of new information, further events, or otherwise. Except as required by the RoFI, the MSE Listings Requirements, or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. In light of these risks, uncertainties, and assumptions, the forward-looking events discussed in this Circular might not occur.

ACTION TO BE TAKEN BY SHAREHOLDERS

- a. The definition and interpretations commencing on page 10 of this Circular apply to this “Action required by Shareholders” section.
- b. If you are in any doubt as to what action to take, please consult your broker, banker, attorney, or other professional adviser immediately.
- c. If you have disposed of all your Shares in the Company on or before 20 September 2024, please forward this Circular, together with the enclosed Form of Proxy where applicable, to the broker, banker, attorney or agent through whom you disposed of such Shares.
- d. An EGM will be held at Protea Ryalls Hotel from 2:30 pm on Thursday, 10 October 2024, to consider and, if deemed fit, pass, with or without modification, the Resolutions set out in the Notice of Extraordinary General Meeting appearing on pages 26 to 29 of this Circular.
- e. **Attendance, representation, and voting at the EGM in person**

You may attend and vote at the EGM in person. Alternatively, you may appoint a proxy to represent you at the EGM by completing the attached Form of Proxy following the instructions contained therein, which form must be received by the Company Secretary not less than 48 hours before the time appointed for the meeting or as the case may be the adjourned meeting.

- f. **Virtual attendance and voting at the EGM**

To enable the widest participation in the EGM, the Directors sought permission from MSE for Shareholders who wished to attend the EGM virtually. Electronic meeting facilities will be available at the EGM, enabling all participants to communicate concurrently with each other without an intermediary and to participate reasonably effectively in the EGM. Voting via the electronic facility will be available to Shareholders. The electronic facility will be accessible by using a smartphone, tablet, or computer.

Shareholders (or a representative or proxy for a Shareholder) who wish to participate in the EGM virtually will be required to register their details, as contemplated in the link below, to enable them to participate in the EGM. Such registration must be completed as soon as possible but no later than 4:30 pm on Tuesday, 8 October 2024, using the website www.blantyrehotels.mw. Following successful completion of the aforesaid registration process. Shareholders (or a representative or proxy for a Shareholder) who wish to participate in the EGM virtually should connect to the EGM by using the website www.blantyrehotels.mw and follow the prompts on that website.

If any Shareholder (or a representative or proxy for a Shareholder) experiences any difficulty with (i) the registration process contemplated above or (ii) logging into the EGM (by 2:30 pm on Thursday, 10 October 2024, such Shareholder (or a representative or proxy for a Shareholder) should request an agent of the Transfer Secretaries to assist such Shareholder (or a representative or a proxy for such Shareholder) with such difficulty by sending an e-mail to transfersec@nicoassetmanagers.com.

IMPORTANT NOTE: Shareholders (or a representative or proxy for a Shareholder wishing to participate in the EGM are advised that they will also be able to register to participate by sending a notice by e-mail to the Transfer Secretaries at transfersec@nicoassetmanagers.com by no later than 2:30 pm on Tuesday, 8 October 2024 that they wish to participate in the EGM.

Shareholders must also provide reasonably satisfactory identification before participating in the EGM. This must be included with the electronic notice and shall include:

If the Shareholder is an individual, a copy of his/her original Malawi identity documents and/or passport and/or Malawi driver's license or

If the Shareholder is not an individual, a copy of a resolution by the relevant entity and a copy of the Malawi identity document and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the EGM via electronic communication; and

In all cases, a valid e-mail address and/or mobile telephone (the contact email address/number).

- g. Shareholders are required to attend the EGM on Thursday, 10 October 2024, at Ryalls Hotel in Blantyre from 2:30 pm in person or through proxy and to vote on the proposed resolutions.
- h. The Shareholder Resolutions are in respect of (i) the Company's audited financial statements to 30 June 2024, (ii) an increase of the Company's authorized share capital, and (iii) a renounceable rights offer by

the Company of new ordinary shares ("**Rights Shares**") to its existing shareholders ("**Entitled Shareholders**") and any other new investors ("**New Shareholders**") that may apply to be allocated Rights Shares not taken up by Existing Shareholders.

- i. A Form of Proxy for use in connection with the EGM has been sent to shareholders together with the EGM Notice. Shareholders who think they will be unable to attend the meeting should complete and return the Form of Proxy by the instructions printed on it as soon as possible and in any event so that it may be received by the Company Secretary not less than 48 hours before the time appointed for the EGM.
- j. Appointment of a proxy will not preclude a Shareholder from attending and voting at the EGM if they wish to do so and are so entitled.

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TIMETABLE OF PRINCIPAL EVENTS

LR 6.12

Notice of Extraordinary General Meeting of the Company published by the Company	Friday, 6 September 2024
Record date by which Shareholders must be recorded on the Register in order to receive this Circular and Notice of Extraordinary General Meeting	Friday, 20 September 2024
This updated Circular published by the Company	Friday, 4 October 2024
Last day to trade Shares in order to be recorded on the Register to be eligible to participate in and vote at the EGM	Tuesday, 8 October 2024
Voting record date for Shareholders to be recorded on the Register to be eligible to participate in and vote at the EGM	Tuesday, 8 October 2024
Latest time for submission of Form of Proxy to Company Secretary or the Transfer Secretary	Wednesday, 9 October 2024
EGM	Thursday, 10 October 2024
Results of the EGM to be published on the website of the MSE and published on the company's website	As soon as possible following the EGM on Thursday, 10 October 2024
First Announcement: Latest date for the first announcement giving the last day for registration for the rights	Friday, 11 October 2024
High Court approval of issuance of Rights Offer shares at a discount	Monday, 14 October 2024
Second Announcement: Giving the terms of the Rights Offer including the ratio of the Rights Offer	Monday, 21 October 2024
Third Announcement: Giving the salient dates for the Rights Offer All documents described in paragraph 6.12 must have been submitted to and approved by the MSE	Wednesday, 23 October 2024
Last day to register for the Rights Offer	Friday, 25 October 2024
Offer opens	Monday, 28 October 2024
Rights uploaded to CSD with notice to Shareholders	Monday, 28 October 2024
Letters of allocation listed	Monday, 28 October 2024
Securities listed ex rights	Monday, 28 October 2024
Prospectus and letters of allocation posted to Shareholders registered for the Rights Offer	Monday, 28 October 2024
Pre-listing statement published in the press	Monday, 28 October 2024
Last day for receipt of postal registrations	Wednesday, 30 October 2024
Last day for dealing in letters of allocation	Wednesday, 20 October 2024
Last day for splitting letters of allocation (14h30)	Thursday, 21 October 2024
Securities that are subject of the Rights Offer listed (if granted)	Thursday, 21 November 2024
Offer closes (14h30) (earliest date)	Friday, 22 November 2024
Last day for postal acceptances of the Rights Offer	Tuesday, 26 November 2024
Notification to the MSE of the conclusion of the Rights Offer and approval for listing by the MSE	Wednesday, 27 November 2024
Conversion of rights into shares/uploading of converted rights into CSD	Thursday, 28 November 2024
Fourth announcement: giving the results of the rights offer. The Securities are the subject of the Rights Offer listed (if granted)	Friday, 29 November 2024
Listing of shares on stock exchange	Monday, 2 December 2024
Latest date for refunds	Monday, 3 December 2024

These times and dates are indicative only and are subject to change. All dates are estimations based on current expectations of the Company and are subject to change, which will depend on, amongst other things, the Shareholders' adoption of the Company's Audited Financial Statements for the six months ended 30 June 2024, Shareholders' approval of the increase in the Company's authorized share capital and approval from the High Court. If any of the dates and times relating to the Rights Offer in this expected timetable change to a material extent, details of the new dates and times will be notified to the Shareholders by announcement on the websites of the MSE and the Company.

Part 1
DEFINITIONS AND INTERPRETATION

Definitions

Throughout this Circular, unless the context indicates otherwise, the words in the column on the left below shall have the meaning stated opposite them in the column on the right below:

1. "APT" means the Associated Pension Trust;
2. "Article" refers to an article in the Company's Articles of Association;
3. "Articles of Association" means Articles of Association of the Company;
4. "Board" means the Board of Directors of the Company;
5. "Business Day" means any day other than Saturday, Sunday, or an official public holiday in Malawi;
6. "Circular" means this bound document dated 4 October 2024 before including the annexures hereto;
7. "Company" or "BHL" means Blantyre Hotels plc;
8. "Companies Act" means Companies Act, Cap. 46:03, Laws of Malawi;
9. "Company Secretary" means the Secretary for the Company, for the time being, currently Mr. Leonard Chisale;
10. "CSD" means Central Securities Depository operated by the Reserve Bank of Malawi, recording titles and interests in dematerialized securities;
11. "Director" means a Director of the Company;
12. "Entitled Shareholder" means a shareholder of the Company appearing on the Company's register of members on the Record Date, and 'Entitled Shareholders' has a corresponding meaning;
13. "Existing Shares" means the issued Ordinary Shares in the share capital of the Company as at close of business on the Record Date;
14. "Extraordinary General Meeting" or "EGM" means the extraordinary general meeting of Shareholders to be held from 2:30 pm on Thursday, 10 October 2024, or any adjourned meeting thereof, or any adjournment or postponement thereof, to consider and, if deemed appropriate, approve the resolutions set out in the Notice of an Extraordinary General Meeting;
15. "ICON" means ICON Properties Limited, a private limited company Incorporated in Malawi in 2018, of Michiru House, Victoria Avenue, Blantyre, otherwise of Post Office Box 3117, Blantyre;
16. "Issue Price" means the price of a Rights Share as determined by the Directors;
17. "Joint Lead Advisors" means Bridgepath Capital Limited and NICO Capital Limited;
18. "Kwacha" means Malawi Kwacha, the legal tender of the Republic of Malawi.
19. "Limbe Leaf" means the Limbe Leaf Tobacco Pension Fund of Post Office Box 40044, Kanengo, Lilongwe 4;
20. "Malawi Stock Exchange" or "MSE" means the Malawi Stock Exchange established under the Securities Act;
21. "MSE Listings Requirements" means the listings requirements of the MSE as revised in April 2023 as revised from time to time;
22. "New Hotel Project" means the construction of a hotel at Lilongwe Golf Club in Lilongwe;
23. "NICO Holdings" means NICO Holdings plc, a public limited liability company incorporated in Malawi as company number 1377 of Chibisa House, 19 Glyn Jones Road, Blantyre, otherwise of Post Box 501, Blantyre;
24. "NICO Life" means NICO Life Insurance Company Limited;
25. "Oasis" or "SPV" means Oasis Hospitality Limited, the special purpose limited liability company incorporated by BHL for the implementation of the New Hotel Project in Lilongwe;
26. "Ordinary Shares" means the Ordinary Shares of 5 tambala each in the capital of the Company, and "Ordinary Share" or "Share" means any one of them;

27. **"PSPTF"** means the Public Service Pension Trust Fund of Public Service Pension Fund House, Ground Floor, Opposite Golden Peacock Shopping Centre, City Centre, Lilongwe, otherwise of Post Office Box 30146, Capital City, Lilongwe 3;
28. **"Record Date"** means close of business (Malawi time) on 25 October 2024;
29. **"Reporting Accountants"** means Deloitte, Certified Public Accountants of First Floor, NBM Top Mandala House, Blantyre or otherwise of Post Office Box 187, Blantyre;
30. **"Rights Offer"** means a renounceable underwritten rights offer of up to 7,000,000,000 new ordinary shares or thereabouts in the capital of the Company at such prices as the Directors may find appropriate at the time of the issue of the prospectus, based on such number of Rights Shares for every one (1) existing ordinary share of the Company held by shareholders of the Company who are eligible to participate in the Rights Offer and such other new investors as will come forth to subscribe to any Rights shares not taken up by Entitled Shareholders as at a book closure date announced by the Company, the Directors having the discretion to exercise a green shoe option, be and is hereby approved;
31. **"Rights Shares"** means the new ordinary shares of 5 tambala each in the share capital of the Company offered to the Entitled Shareholders by way of the Rights Offer, and 'Rights Share' has a corresponding meaning;
32. **"RoFI"** means Registrar of Financial Institutions;
33. **"Securities Act"** means Securities Act, Cap.46:06, Laws of Malawi;
34. **"Sponsoring Broker"** means Continental Capital Limited, a limited liability company of Ulimi House, 1st Floor, Cnr Sharpe/Glyn Jones Road, P O Box 1444, Blantyre;
35. **"Take-up Shares"** means the number of the Rights Shares that are not subscribed for in the Rights Issue by Entitled Shareholders as at the Closing Date;
36. **"tambala"** means one-hundredths of a Kwacha;
37. **"Transfer Secretaries"** means NICO Asset Managers Limited of Chibisa House, 19 Glyn Jones Road, Post Office Box 3173, Blantyre, Malawi;
38. **"Underwriters"** means NICO Life, NICO Holdings and Africap LLC; and
44. **"US\$" or "US Dollar"** means the lawful currency of the United States of America.

Interpretation

1. The singular includes the plural and vice versa.
2. A reference to an individual or person includes a corporation, firm, partnership, authority, and vice versa.
3. A reference to any gender includes all genders.
4. A reference to a recital, clause, or schedule is to a recital, clause, or schedule of or to this document.
5. A reference to any legislation or legislative provision includes any statutory notification or re-enactment of, or legislative provision substituted for, and any subordinate legislation under, that legislation or legislative provision.
6. Where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning.
7. The words 'including', 'such as', 'particularly', and similar expressions do not imply limitation.
8. If the day on which any act, matter, or thing is to be done under or under this document is not a business day, that act, matter, or thing may be done on the next business day.
9. The financial information presented in a number of tables in this Circular have been rounded to the nearest whole number or the nearest decimal place. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this Circular reflect calculations based upon the underlying information before rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Part 2
Letter from the Chairman of the Company to Shareholders

Registered Office
Chibisa House
19 Glyn Jones Road
P O Box 501
Blantyre

30 September 2024

Dear Shareholder,

CIRCULAR TO SHAREHOLDERS IN RESPECT OF EXTRAORDINARY SHAREHOLDERS' RESOLUTIONS

1. INTRODUCTION

- 1.1 The definitions and interpretation commencing in Part 1 (*Definitions and interpretation*) of this Circular apply to this letter. LR 4.43(2)
- 1.2 On 6 September 2024, the Board of Directors resolved that the Company should offer to Entitled Shareholders of up to 7,000,000,000 Rights Shares for subscription at a ratio of a given number of Rights Shares for every one (1) existing ordinary share already held at such price as the Directors may determine, payable in full on acceptance.
- 1.3 The capital raised through the Rights Offer will amount to K62.4 billion or thereabouts.
- 1.4 The estimated net proceeds from the Rights Offer will be used to complete the new hotel project in Lilongwe ("New Hotel Project"), should any excess remain, it shall be applied to returning the debts of the Company.
- 1.5 Against the above background, the Directors propose to convene an EGM to be held on Thursday, 10 October 2024, to seek Shareholders' approval of the Rights Offer as outlined in this Circular.

2. PURPOSE OF THIS CIRCULAR

The principal purpose of this Circular is:

- 2.1 To provide additional information in respect of the Notice of **EGM**, which was published on 12 September 2024, proposing the following resolutions:
- (i) A resolution adopting the Company's Audited Financial Statements for the six (6) months period to 30 June 2024;
 - (ii) A resolution authorizing the increase of the Company's authorized share capital and
 - (iii) A resolution approving that the Company carries out a renounceable underwritten Rights Offer of up to 7,000,000,000 new Ordinary Shares to existing Shareholders and new investors option for Directors' liberty to exercise a green shoe option (i.e., over-allot).
- 2.2 To advise Shareholders of the Board's recommendation regarding the proposed Rights Offer.

3. RATIONALE FOR THE PROPOSED RENOUNCEABLE RIGHTS OFFER

LR 4.43(2)

3.1 Rationale for the Rights Offer

The Company is raising K62.4 billion through the Rights Offer to fund the completion of the New Hotel Project, which it is implementing through a special purpose vehicle limited liability company known as Oasis Hospitality Limited ("**SPV**" or "**Oasis**"). The other shareholders in the SPV are ICON, PSPTF, Limbe Leaf, APT, and SUCOMA. The SPV has raised K19,200,000,000.00, which has been utilized for Phase 1 of the Project, which involved the purchase of the land, design works, town planning approvals, demolitions, bulk earthworks, building the concrete structure, and blockwork. Due to adverse market conditions characterized by acute foreign currency and a depreciating local currency, the SPV did not raise all the equity required to take the Project to completion. The current required capital is estimated at K86,665,000,000.00.

Particulars

SPV funding requirement for completion	=	K60,873,608,211.00
Furniture and fittings	=	K13,808,352,000.00
Working capital and retirement of existing Kwacha debt	=	K11,534,978,876.00
Capital raising costs (debt and equity)	=	<u>K 2,448,060,912.00</u>
Total	=	<u>K88,665,000,000.00</u>

Out of the K88,665,000,000.00, about K26,265,000,000.00 will be raised through foreign currency-denominated debt to ensure that the importation of construction materials is not hampered. This leaves the balance of K62,400,000,000.00 to be raised otherwise.

BHL, as the sponsor of the SPV and the New Hotel Project, has undertaken to raise the funding shortfall to minimize completion risk, hence the proposed Rights Offer. The K62.4 billion being raised through the Rights Offer will be injected into the SPV as equity for the completion of the New Hotel Project (i.e., Phase 2). Phase 2 will involve completion of the building, purchase, and fitting of tiles, mechanical and service installations, electrical works, roofing works, finishings, and FF&E. Injection of the Rights Offer proceeds into the SPV will increase BHL's equity interest in SPV to 70% or thereabouts from its current shareholding of 22.8%. Post completion of the construction, BHL intends to reduce Its shareholding in the SPV in the long run. It will periodically sell its equity interests in SPV after the New Hotel is operational.

3.2 Rationale for the New Hotel Project

Diversification and prospects of a higher overall return on investment: The New Hotel Project in Lilongwe represents a significant leap for the Company. The Company moves beyond its single-hotel operation in Blantyre and positions itself as a key player in Malawi's growing hospitality industry. It is an investment that promises improved returns to the Shareholders. Lilongwe – a fast-growing city and quickly is becoming a host to many big international as well as national conferences. The New Hotel is a unique offering to the City of Lilongwe as the only golf estate hotel sitting on an 18-hole PGA-rated golf course.

Socio-economic impact: The New Hotel Project has a significant socio-economic impact, namely *Job creation:* The New Hotel project has created and is creating jobs. Beyond the employment of construction workers, it is giving job opportunities to local contractors, landscapers, foremen, electricians, plumbers, masons, welders, architects, interior designers, lawyers, engineers, suppliers, and hardware store workers. *Growth of the local economy:* Payments to the local service providers for services rendered and goods and materials supplied stimulate economic activity in the immediate community and the city at large. Grocers, retailers, and other local goods and services providers benefit from the increased demand for their goods and services. *Skills training:* The project has provided the opportunity for artisans to practice skills acquired at technical & vocational schools on a professionally managed site. *Crime rate reduction:* Improving the physical appearance of an area and increasing footfall makes it harder for criminals to target these areas, thereby decreasing crime rates.

3.3 Consequences of not raising required additional capital

3.3.1 As indicated earlier in this letter, the SPV and the Company currently do not have adequate resources to complete the New Hotel Project. To ensure that the New Hotel Project is completed on time and the new hotel begins to generate revenue for servicing the loans (and ultimately retire those loans) and generate returns for the Shareholders on the investment, the Company needs to raise the K62.4 billion from its Shareholders by way of the Rights Offer that is proposed by the Directors.

3.3.2 If the proposed Rights Offer is not implemented, the Company will be faced with the risk of failing to complete the New Hotel project on time or at all. The Company and the SPV will also be faced with the risk of defaulting on the loans that provided debt capital for the New Hotel project. This will mean that the capital already invested will have been sunk. Yet the Company and the SPV will still be required to pay off the creditors. The strain exacted on the revenue generated from a single-hotel operation will be unbearable for the Company.

4. REGULATORY REQUIREMENTS IN RESPECT OF THE RIGHTS OFFER

The Applicable Law requires:

4.1 A prospectus complying with the content requirements of the Companies Act, the MSE Listings Requirements, and the Securities (Registration Requirements of Securities) to be prepared and issued by the

Directors. The Prospectus will be circulated to all the Shareholders and the general public once the Rights Offer is approved by the Shareholders.

- 4.2 The Rights Offer is to be approved by the resolution of the Shareholders in a general meeting before it can be proceeded with. CA.s.102)
- 4.3 The Shareholders are to fix the maximum rate of the discount if the Rights Shares are to be offered at a discount to the MSE drawing price. CA.s.102)
- 4.4 The High Court to approve the discount once it is fixed by the Shareholders. CA.s.102)
- 4.5 The RoFI to approve the proposed Rights Offer and the Rights Offer prospectus and register the Rights Shares. LR 6.12
- 4.6 The MSE to approve the listing of shares proceeding from the Rights Offer.

5. PRICING

- 5.1 The Issue Price will be at a discount of not more than 10% (as approved by the Shareholders at the EGM and the High Court) to the price at which the BHL shares are traded on the MSE on the last practicable date before issue of the Rights Offer prospectus.
- 5.2 The approach to the determination of the Issue Price by the Directors was arrived at with reference to, among other things:
- 5.2.1 the recent closing prices of the Shares;
 - 5.2.2 prevailing market conditions and the financial position of the Company;
 - 5.2.3 the amount of funds the Company intends to raise under the Rights Offer;
 - 5.2.4 the average discounts that have been used in other rights offers in the world, and
 - 5.2.5 the general economic developments in the country, including the business prospects of the New Hotel.
- 5.3 The recommended maximum discount rate is not very large. It will ensure that the Rights Share is offered at a price that is very close to the estimate of the real underlying value of the BHL shares as determined by the market under the present market conditions, with an appropriate differential to incentivize Shareholders to subscribe for the Rights Shares. It is the Directors' considered opinion that the Rights Offer discount determined after taking appropriate professional advice is reasonable.

6. SALIENT FEATURES OF THE RIGHTS OFFER

6.1 Terms of the Rights Offer

LR 4.43(2)(d)

The detailed terms of the proposed Rights Offer will be set out in the Rights Offer prospectus. For purposes of this Circular and enabling Shareholders to make up their minds as to how to vote at the EGM in respect of the proposed Rights Offer resolutions, mention of the following proposed terms suffice:

- 6.1.1 The Company (if approved by the Shareholders, the High Court, and the RoFI) will offer up to 7,000,000,000 new Ordinary Shares to existing Shareholders and the general public.
- 6.1.2 The company will raise approximately K62.4 billion through the Rights Offer.
- 6.1.3 Entitled Shareholders will be offered renounceable rights to subscribe for 6 Rights Shares for every one (1) ordinary share held by the Entitled Shareholder on the Record Date at the Issue Price. The Rights will take the form of Letters of Allocation, which will be issued to Entitled Shareholders recorded in the Company's Register of members at the close of trade on the Record Date. LR 4.43(2)(i)
- 6.1.4 Entitled Shareholders who hold Letters of Allocation can elect, in whole or in part, to:
- 6.1.4.1 Allow their Letters of Allocation to lapse, in which case they will be taken to have renounced their rights generally;
 - 6.1.4.2 Take up their pro rata share of the Rights Shares at the Offer Issue Price based on their holding of Letters of Allocation on the Record Date. LR 4.43(2)(i)
- 6.1.5 Some entities have underwritten the Rights Offer as detailed in paragraph 7 of the Circular.

6.1.6 The Rights Offer Shares will, upon allotment and issue, rank pari passu with all other existing Ordinary Shares and shall be fully paid and freely transferable.

6.2 Opening and closing dates of the Rights Offer

Indicatively, the Rights Offer will open at 09:00 hours on 28 October 2024 and close at 14:30 hours on 22 November 2024.

6.3 Entitlement

For a Shareholder to qualify for the right to subscribe to Rights Shares, the Shareholder's name must be in the Register of Members on the Record Date.

6.4 Excess applications

6.4.1 Entitled Shareholders are free to apply for allocation of excess Rights Shares.

6.4.2 The Directors will aggregate and allot the provisional allotment of the Rights Shares not taken up or allotted for any reason to satisfy excess applications for the Rights Shares by Entitled Shareholders and, if any Rights Shares remain, to satisfy applications from the general public, over-allotment options, or otherwise dispose of or to deal with such provisional allotment of the Rights Shares and requests for splits in such manner and on such terms and conditions as the Directors may in their absolute discretion deem fit.

6.5 Green Shoe option

The Shareholders are also being requested to approve that the Directors be at liberty to exercise a green shoe option (over-allotment) ("**Green Shoe Option**"). When the Directors decide to exercise this option, they will sell extra shares to the public in case of an over-subscription to meet the needs of the project through the exercise of the Green Shoe Option, which could help cushion the New Hotel Project from the consequences of currency movement. The Green Shoe Option is expected to be a maximum of 15 percent of the planned Rights Offer. Refer to paragraph 10 in Part 3 (*Additional Information*) for more information on how a green-shoe option works. Existing Shareholders will have the right of first refusal to take up any shares which will be the subject of the Green Shoe Option subject to the limit to be determined by the Directors.

7. UNDERWRITING AND MINIMUM SUBSCRIPTION

7.1 So far, the Company has received underwriting commitments from the following parties:

	Amount
NICO Life	K18,000,000,000.00
Africap LLC	K12,200,000,000.00
NICO Holdings	K8,000,000,000.00

7.2 The Directors are still in discussions with other potential underwriters. The prospectus will contain the most up-to-date underwriting commitments.

LR 4.43(2)(g)

7.3 In terms of the Underwriting Agreements, the underwriters will receive an underwriting fee from the Company equal to 0.75% of the committed amount.

LR 4.43(2)(f)

7.4 In the opinion of the independent non-executive Directors of the Board, the underwriting fees due to the Underwriters are not greater than the current market rates charged by independent underwriters.

7.5 The Board, after due and careful inquiry, believes that the Underwriters have sufficient resources to meet its financial commitment in terms of the Underwriting Agreements.

8. TAX CONSEQUENCES OF THE RIGHTS OFFER

Shareholders are advised to consult their advisors regarding the tax implications of the proposed Rights Offer.

9. EXCHANGE CONTROL

Non-resident Shareholders are advised that issue of Rights Shares to non-resident Shareholders is subject to

LR 4.43(2)(j)

Exchange Control Regulations and, therefore, the Reserve Bank of Malawi may decline its approval to issue the Rights Shares to any non-resident Shareholder of whom the Reserve Bank of Malawi does not approve.

10. CONDITIONS PRECEDENT

The proposed Rights Offer is subject to:

- 10.1 Approval by Shareholders of the resolutions at the EGM to be held on Thursday, 10 October 2024, in terms of the EGM notice incorporated herein;
- 10.2 The underwriting agreements entered between the Company and the Underwriters being approved by the RoFI and remaining in full force and effect; and
- 10.3 The RoFI approving the Rights Offer, the Rights Offer prospectus and registering the Rights Shares.

11. THE EGM AND SHAREHOLDERS RESOLUTIONS

Notice of the EGM to be held on Thursday, 10 October 2024, at Protea Ryalls Hotel, 2 Hannover Avenue, Blantyre, from 2:30 pm (previously circulated to Shareholders and carried in the newspapers) is set out in section 1 of Annex 1 (*Notice of Extraordinary General Meeting*) of this Circular. A summary and explanation of the Resolutions is set out below, but please note that this does not contain the full text of the Resolutions. You should read this section in conjunction with Resolutions in the Notice of the EGM. A summary of the actions you should take is set out in Section 11 (*Action to be taken in respect of the EGM*) of this letter and the Form of Proxy that accompanies this Circular.

A detailed EGM Notice has been sent to shareholders.

Agenda Item No. 1 – Adoption of the Company’s Audited Financial Statements to 30 June 2024

The MSE Listings Requirements require a company intending to carry out a rights offer to disclose financial information, including audited financial statements that are in respect of a period entered not earlier than six (6) months. As the Company’s financial year end is 31 December, the audited financial statements of the Company currently available are for the FYE 31 December 2023, older than six (6) months. Directors caused the Company’s external auditors to audit the Company’s financial statements for the six (6) months period to 30 June 2024. Once shareholders adopt these audited financial statements, the Company will have the requisite audited financial statements on which basis the Rights Offer can be proceeded with.

Item No. 1. Seeks the Shareholders’ resolution adopting the company’s audited financial statements to 30 June 2024.

Agenda Item No. 2 – Increase of the share capital

At the moment, the Company’s authorized share capital is K250,000,000.00 divided into 5,000,000,000 ordinary shares. Out of the 5,000,000,000 ordinary shares, 839,750,705 ordinary shares have already been issued. The unissued share capital is, therefore, 4,160,249,295 ordinary shares, which are inadequate for the new ordinary shares that will be offered in the Rights Offer. It is, therefore, imperative that the share capital of the Company be increased to accommodate the proposed Rights Offer and other future issues of capital. The power to increase the share capital of the Company is with the Shareholders.

Item No. 2 seeks the Shareholders’ approval to increase the Company’s share capital to K500,000,000.00 divided into 10,000,000,000 ordinary shares of 5 tambalas each and authorizing Directors to do all such acts attendant to carrying the resolution into effect.

Agenda Items No. 3 – Rights Offer to all Shareholders

The Company, as the sponsor of the New Hotel Project in Lilongwe, needs to raise K62.4 billion or thereabouts for completion of the project. At the Board Meeting of 6 September 2024, the Director recommended that the Company raises the K62.4 billion by way of a renounceable underwritten Rights Offer to all Shareholders of the Company, which is also opened up to members of the public to apply for Rights Shares not taken up by entitled Shareholders. The Directors further recommended that the Rights Offer should give the Directors liberty to over-allocate new ordinary shares up to a maximum of 15% above the Rights Offer size (Green-Shoe Option – GSO) in the event of an over-subscription.

Item No. 3 seeks a resolution of the Shareholders to approve the renounceable underwritten Rights offer with a Green Shoe Option.

12. ACTION TO BE TAKEN IN RESPECT OF THE EGM

The EGM will be held at Protea Ryalls Hotel, 2 Hannover Street, Blantyre, on Thursday, 10 October 2024, from 2:30 pm.

12.1 Attendance, representation, and voting at the EGM

You may attend and vote at the EGM in person. Alternatively, you may appoint a proxy to represent you at the EGM by completing the attached Form of Proxy following the instructions contained therein, which form must be received by the Company Secretary not less than 48 hours before the time appointed for the meeting or as the case may be, the adjourned meeting.

12.2 Virtual attendance and voting at the EGM

To enable the widest participation in the EGM, the Directors sought permission from the MSE who wished to attend the EGM virtually. Electronic meeting facilities will be available at the EGM, enabling all participants to communicate concurrently with each other without an intermediary and to participate reasonably effectively in the EGM. Voting via the electronic facility will be available to Shareholders. The electronic facility will be accessible by using a smartphone, tablet, or computer.

Shareholders (or a representative or proxy for a Shareholder) who wish to participate in the EGM virtually will be required to register their details, as contemplated in the link below, to enable them to participate in the EGM. Such registration must be completed as soon as possible but no later than 4:30 pm on Tuesday, 8 October 2024, using the website www.blantyrehotels.mw. Following successful completion of the aforesaid registration process. Shareholders (or a representative or proxy for a Shareholder) who wish to participate in the EGM virtually should connect to the EGM by using the website www.blantyrehotels.mw and follow the prompts on that website.

If any Shareholder (or a representative or proxy for a Shareholder) experiences any difficulty with (i) the registration process contemplated above or (ii) logging into the EGM (by 2:30 pm on Thursday, 10 October 2024 such Shareholder (or a representative or proxy for a Shareholder) should request an agent of the Transfer Secretaries to assist such Shareholder (or a representative or a proxy for such Shareholder) with such difficulty by sending an e-mail to transfersec@nicoassetmanagers.com.

IMPORTANT NOTE: Shareholders (or a representative or proxy for a Shareholder wishing to participate in the EGM are advised that they will also be able to register to participate by sending a notice by e-mail to the Transfer Secretaries at transfersec@nicoassetmanagers.com by no later than 2:30 pm on Tuesday, 8 October 2024 that they wish to participate in the EGM.

Shareholders must also provide reasonably satisfactory identification before participating in the EGM. This must be included with the electronic notice and shall include:

- (i) If the Shareholder is an individual, a copy of his/her original Malawi identity documents and/or passport and/or Malawi driver's license; or
- (ii) If the Shareholder is not an individual, a copy of a resolution by the relevant entity and a copy of the Malawi identity document and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the EGM via electronic communication; and
- (iii) In all cases, a valid e-mail address and/or mobile telephone (the contact email address/number).

13. MATERIAL CONTRACTS

The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Company within two (2) years immediately preceding the date of this Supplemental Circular, which are or may be material to the Company.

LR 4.64

Particulars

Sub-lease agreement with Oasis Hospitality Limited for all the land and buildings on Plot Number 1041 Area 3 Lilongwe. The Company will have to pay rent during the construction period and after the completion of the Hotel.

LR 4.50

14. LITIGATION STATEMENT

The Company and the SPV are not aware of any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have had in the recent past, being the previous 12 months, a material effect on the financial position of the Company and the SPV.

15. CONSENTS

The Joint Lead Advisors, the Sponsoring Broker, the Transfer Secretaries, the Transaction Legal Advisors, and the Reporting Accountants have consented in writing and have not withdrawn their consent to their names being included in this Circular in the form and context and form in which they are included.

16. DIRECTORS' RESPONSIBILITY STATEMENT

14.1 The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and certify that to the best of their knowledge and belief, no facts have been omitted from this Circular which would make any statement herein false or misleading and that they have made all reasonable inquiries to ascertain such facts.

14.2 The Directors also confirm that the abridged circular includes all such information within their knowledge for which it would be reasonably expected to find to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Company and of the rights attaching to which the Circular relates.

Name	Signature
Mr. Vizenge Kumwenda	<i>Original signed</i>
Mr. Andrew Katimba	<i>Original signed</i>
Ms. Chikondi Ng'ombe	<i>Original signed</i>
Mr. Elias Azele Malion	<i>Original signed</i>
Mrs. Thokozani Unyolo	<i>Original signed</i>
Mr. Robert Scharar	<i>Original signed</i>

LR 4.14)

17. DOCUMENTS AND CONSENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection during normal business hours at the registered office of the Company Secretary or can be requested via email from Friday, 27 September 2024, up to and including Thursday, 10 October 2024.

LR 4.64

15.1 Memorandum and Articles of Association of the Company.

15.2 Memorandum and Articles of Association of the SPV.

15.3 Sub-lease agreement with Oasis Hospitality Limited for all the land and buildings on Plot Number 1041 Area 3 Lilongwe

15.4 Audited Financial Statements of the Company for the years ended December 2021, December 2022, December 2023, and the period to 30 June 2024.

15.5 This Circular.

15.6 Letters of consent are referred to in paragraph 13 above.

18. ADDITIONAL INFORMATION

Your attention is drawn to Part 3 (*Additional Information*) of this Circular for further information that is being disclosed in compliance with the MSE Listings requirements to enable you to make an informed decision at the EGM.

Signed on behalf of the Blantyre Hotels plc Board

Original signed

Vizenge Kumwenda
Chairman of the Board

Part 3
Additional Information

1. Information on the Company

The Company is a public company limited by shares incorporated and domiciled in and operating under the laws of Malawi. Its full particulars are as follows:

Name	Blantyre Hotels plc
Trading name	Protea Ryalls Hotel
Registered address	Chibisa House, 19 Glyn Jones Road, Blantyre
Transfer office	Transfer Secretaries, NICO Asset Managers Limited, Chibisa House, 19 Glyn Jones Road, Blantyre
Date and place of incorporation	29 October 1965, Blantyre
Date of conversion into a public company	1996

LR 4.13

Share capital

Authorised share capital (Nominal value)	K250,000,000.00
Authorised share capital (number of Ordinary Shares)	5,000,000,000
Nominal value of each Ordinary Share	K0.05
Current issued and fully paid ordinary Share capital (number of shares)	839,750,705
Current issued and fully paid share capital	K41,987,535

LR 4.24(1)

2. The market value of BHL shares

LR 4.42

As of close of business on 4 October 2024, the shares of the Company were trading at K13.51 per share. The trading history for the past four years from 2020, is as follows:

Yearly	Lowest (price) kwacha	Highest (price) kwacha	Average (price) Kwacha	Aggregate volumes
2020	12.94	12.95	12.94	405,412
2021	11.00	12.94	11.05	664,480
2022	10.97	11.01	11.00	50,000
2023	10.00	13.01	10.54	12,071,312
Year 2022				
1st quarter	11.01	11.01	11.01	2,000
2nd quarter	11.01	11.01	11.01	5,300
3rd quarter	10.99	11.01	11.00	22,200
4th quarter	10.97	10.99	10.98	20,500
Year 2023				
1st quarter	10.96	10.97	10.96	13,742
2nd quarter	10	10.96	10.47	9,339,245
3rd quarter	10.06	10.07	10.06	350,414
4th quarter	10.06	13.01	10.68	2,367,911
01 July 2024	13.05	13.05	13.05	-
02 July 2024	13.05	13.05	13.05	-
03 July 2024	13.05	13.05	13.05	-
04 July 2024	13.05	13.05	13.05	-
05 July 2024	13.05	13.05	13.05	-
09 July 2024	13.05	13.05	13.05	-
10 July 2024	13.05	13.05	13.05	-
11 July 2024	13.05	13.05	13.05	-
12 July 2024	13.05	13.05	13.05	-
15 July 2024	13.05	13.05	13.05	-
16 July 2024	13.05	13.05	13.05	-
17 July 2024	13.05	13.05	13.05	-
18 July 2024	13.05	13.05	13.05	-
19 July 2024	13.05	13.05	13.05	-
22 July 2024	13.05	13.05	13.05	-
23 July 2024	13.05	13.05	13.05	-
24 July 2024	13.05	13.05	13.05	-
25 July 2024	13.05	13.05	13.05	-
26 July 2024	13.05	13.05	13.05	-
29 July 2024	13.05	13.05	13.05	265,600
30 July 2024	13.05	13.05	13.05	-
31 July 2024	13.05	13.05	13.05	-
01 August 2024	13.05	13.05	13.05	-

02 August 2024	13.05	13.05	13.05	-
05 August 2024	13.05	13.05	13.05	-
06 August 2024	13.05	13.05	13.05	-
07 August 2024	13.05	13.05	13.05	-
08 August 2024	13.05	13.05	13.05	-
09 August 2024	13.05	13.05	13.05	-
12 August 2024	13.05	13.05	13.05	-
13 August 2024	13.05	13.05	13.05	-
14 August 2024	13.05	13.05	13.05	-
15 August 2024	13.05	13.05	13.05	-
16 August 2024	13.05	13.05	13.05	-
19 August 2024	13.05	13.05	13.05	-
20 August 2024	13.05	13.05	13.05	-
21 August 2024	13.05	13.05	13.05	-
22 August 2024	13.05	13.05	13.05	-
23 August 2024	13.05	13.05	13.05	-
26 August 2024	13.05	13.05	13.05	-
27 August 2024	13.05	13.05	13.05	-
28 August 2024	13.05	13.05	13.05	-
29 August 2024	13.05	13.05	13.05	-
30 August 2024	13.05	13.05	13.05	-
02 September 2024	13.05	13.05	13.05	-
27 September 2024	13.05	13.05	13.05	-

3. Directors of the Company

The Directors of the Company and their functions are as follows:

Name	Occupation	Residential/Postal/E-mail address
Mr. Andrew Katimba	General Manager, CFAO Mobility	Plot No. NY 277, Nyambadwe, Blantyre
Ms. Chikondi Ng'ombe	Country Director, Bayer Malawi	Plot No. 9/109. Area Lilongwe
Mr. Elias Azele Malion	Head of Finance and Administration, Press Trust	Plot No. CH/M/74, Chilomoni Fargo, Blantyre
Mr. Rob Scharar	President, Africap LLC	791 Town & Country Blvd, Suite 250, Huston, Texas, USA
Ms. Thoko Unyolo	Chief Executive Officer, Air Cargo	Plot No. 46/2097, Area 46, Lilongwe
Mr. Vizenge Kumwenda	Group Managing Director, NICO Holdings	Plot No. LE 53, Newlands, Limbe, P O Box 501, Blantyre

LR 4.14

The remuneration of Directors will not change as a result of the Rights Offer.

Further details required by MSE Listings Requirements paragraph 4.14 are disclosed in the Rights Offer Prospectus.

LR 4.14(6)

4. Directors' Interests in the Company

Assuming no Ordinary Shares have been purchased or issued after 20 September 2024, the Directors and their immediate families have the following interests in the issued share capital of the Company (all of which are beneficial unless otherwise stated) and, in the event that the Rights Offer is successfully completed, the directors will have no interest in the shares of the Company.

Name	Number of ordinary shares	Percentage of issued share capital
Mr. Andrew Katimba	0	0
Ms. Chikondi Ng'ombe	0	0
Mr. Elias Azele Malion	0	0
Mr. Rob Scharar	0	0
Ms. Thoko Unyolo	0	0
Mr. Vizenge Kumwenda	0	0

5. Principal shareholders

5.1 As of 20 September 2024, in so far as is known to the Company, the name of each person, other than a Director, who holds voting rights representing 1 percent or more of the total voting rights in respect of Ordinary Shares and the amount of such person's holding of the total voting rights in respect of BHL Shares, is, following the scheme becoming effective, expected to be as follows:

Name	Number of ordinary shares	Percentage of issued share capital
NICO Life	288,370,392	34.34%
Africap LLC	269,979,852	32.15%
Press Trust	220,854,435	26.30%
Other	60,546,026	7.21%
Total	839,750,705	100%

5.2 Save as disclosed in this paragraph 5, the Directors of the Company are not aware of any holdings of voting rights which will represent 1 percent or more of total voting rights in respect of the issued ordinary share capital of the Company.

6. Directors' interests in transactions

No Director of the Company has or has had any interest in transactions which are or were unusual in nature or conditions or are or were significant to the business of the Company and which were affected by the Company during the current or immediately preceding financial year or during an earlier financial year and which remain in any respect outstanding or unperformed.

LR 4.21
LR 4.22

7. Group's history and activities

BHL currently operates Ryalls Hotel, which is one of the oldest and longest established hotels in Malawi. Opened in 1921, The Protea Blantyre was the first boutique hotel in Malawi and to this day continues to enjoys the highest profiled branded hotel in the country. The hotel has 117 room (86 Deluxe, 26 Classic & 5 Suites). The hotel offers 3 dining options and fitness center.

LR 4.46(2)

BHL was listed on the Malawi Stock Exchange on 25 March 1997. 129 million shares were issued at an introductory price of K0.84 per share. Since then, its share price has grown to K13.05 per share growing its market capitalization from K108 million on listing date to K10.9 billion as at 30 August 2024.

BHL has embarked on a project to expand its portfolio of hotels to Lilongwe. To carry out the project it incorporated a special purpose vehicle, Oasis Hospitality Limited ("Oasis") was incorporated in March 2019, which will own the hotel buildings. Oasis will lease the hotel buildings to BHL who will operate the hotel.

The hotel will be operated under a long-term management agreement with a leading widely known luxury hotel management company, Marriott International, under the brand name Protea Hotel by Marriott. The hotel will be a 4-star Hotel.

The shareholding at September 2024 is as follows:

NICO Life Insurance Company Limited	=	34.34%
Africap LLP	=	32.15%
Press Trust	=	26.30%
The Public	=	7.21%
Total	=	100.0%

8. Directors' position as to prospects of the Company and the SPV

Based on the available working capital to the Company and the SPV, as well as the forecast cash flows for the twelve months from 30 September 2024 and the legal and contractual obligations of the Company and the SPV, the Directors believe that the Company and the SPV will continue to be going concerns for the next twelve months and in the foreseeable future beyond the said twelve months.

LR 4.46(8)

9. Latest audited balance sheet of the Company

9.1 The latest audited Statement of Profit or Loss and Other Comprehensive Income for the six months ended 30 June 2024

	Notes	6 months to 30 June 2024	12 months to 31 December 2023
		K'000	K'000
Revenue	21	3 555 162	4 617 375
Cost of sales	22	(1 116 379)	(2 011 410)
Gross profit		2 438 783	2 605 965
Other income		13 545	26 016
Selling and administration expenses	23	(2 041 100)	(2 640 199)

LR 4.55

Impairment loss	23b	(4 100)	(4 567)
Profit /(loss) from operating activities		<u>407 128</u>	<u>(12 785)</u>
Interest from assets at amortised cost	24	4 027	54 251
Finance income	24	24 450	254 667
Finance cost	24	<u>(912 116)</u>	<u>(1 238 831)</u>
Net finance cost		(883 639)	(929 913)
Share of loss in associate	9b	<u>(38 857)</u>	<u>(74 594)</u>
Loss before taxation		(515 368)	(1 017 292)
Taxation	19	<u>(265,532)</u>	<u>224 530</u>
Loss for the period/year		<u>(780 900)</u>	<u>(792 762)</u>
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Surplus on revaluation of land and buildings		2 128 297	1 145 028
Deferred tax on revaluation		<u>(611 722)</u>	<u>(271 150)</u>
Total other comprehensive income		<u>1 516 575</u>	<u>873 878</u>
Total comprehensive income for the period/year		<u>735,675</u>	<u>81 116</u>
Loss per share (tambala)			
Basic and diluted loss per share	25	<u>(93)</u>	<u>(94)</u>

9.2 Latest audited statement of Financial Position for the six months ended 30 June 2024

	Notes	30 June 2024 K'000	31 December 2023 K'000
Assets			
Non-current assets			
Property and equipment	7	12 450 501	10 361 837
Intangible assets	8	5 519	7 467
Investment in associate	9	<u>7 087 123</u>	<u>3 842 240</u>
Total non-current assets		<u>19 543 143</u>	<u>14 211 544</u>
Current assets			
Inventories	10	396 387	399 038
Trade and other receivables	11	897 920	464 000
Tax recoverable	19	139 055	112 767
Amount due from related parties	20.1	149 383	28 936
Cash and cash equivalents	12	<u>579 648</u>	<u>612 253</u>
Total current assets		<u>2 162 393</u>	<u>1 616 994</u>
Total assets		<u>21 705 536</u>	<u>15 828 538</u>
EQUITY AND LIABILITIES			
Equity Share capital	13	41 988	41 988
Share premium	14	1 340 153	1 340 153
Revaluation reserve	15	7 972 653	6 490 204
Accumulated losses		<u>(1 663 093)</u>	<u>(986 994)</u>
Total equity		<u>7 691 701</u>	<u>6 885 351</u>
Liabilities			
Non-current liabilities			
Deferred tax	16	2 953 764	2 076 508
Borrowings	18	<u>5 016 803</u>	<u>2 045 056</u>
Total non-current liabilities		<u>797 567</u>	<u>4 121 564</u>
Current liabilities			
Trade and other payables			
Amounts due to related parties	17	878 290	771 137
Bank overdraft	20.1	119 527	-
Borrowings	12	107 047	-
Borrowings	18	<u>5 009 080</u>	<u>4 050 486</u>
Total current liabilities		<u>6 113 944</u>	<u>4 821 623</u>
Total liabilities		<u>14 084 511</u>	<u>8 943 187</u>
Total equity and liabilities		<u>21 705 536</u>	<u>15 28 538</u>

9.3 Property and equipment valuation

	Freehold land K'000	Buildings K'000	Motor vehicles K'000	Furniture equipment K'000	Capital WIP K'000	Total K'000
30 June 2024						
Cost/valuation						
1 January 2024	2 257 200	7 582 800	158 616	1 674 531	3 491	11 676 638
Additions	-	-	-	111 992	-	111 992
Revaluation surplus	376 200	1 713 800	-	-	-	2 090 000
At 30 June 2024	2 633 400	9 296 600	158 616	1 786 523	3 491	13 878 638
Depreciation						
1 January 2024	-	-	115 723	1 199 078	-	1 314 801
Charge for the year	-	(38 297)	6 258	106 800	-	151 626
Released on revaluation	-	(38 297)	-	-	-	(38 297)
At 30 June 2024	-	-	122 251	1 305 878	-	1 428 130
Carrying amounts	2 663 400	9 296 600	36 365	480 645	3 491	12 450 501
31 December 2023						
Cost/valuation						
1 January 2023	1 936 000	6 842 000	117 249	1 378 456	129 372	10 403 077
Additions	-	-	41 367	170 194	-	211 561
Transfers	-	-	-	125 881	(125 881)	-
Revaluation surplus	321 200	740 800	-	-	-	1 062 000
At 31 December 2023	2 257 200	7 582 800	158 616	1 674 531	3 491	11 676 638
Depreciation						
1 January 2023	-	-	107 493	1 039 420	-	1 146 913
Charge for the year	-	83 028	8 230	159 658	-	250 916
Released on revaluation	-	(83 028)	-	-	-	(83 028)
At 31 December 2023	-	-	115 723	1 199 078	-	1 314 801
Carrying amounts	2 257 200	7 582 800	42 893	475 453	3 491	10 361 837

The registers of land and buildings are available for inspection at the Company's registered office.

9.4 Fair value measurement of the Company's freehold land and buildings

The Company's freehold land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value measurements of the Company's freehold land and buildings as of 30 June 2024 were performed by Aaron Chalunda and Desmond Namangale (December 2023: Aaron Chalunda) from Knight Frank, an independent firm not related to the Company and has appropriate qualifications and recent experience in the fair value measurement of properties within Malawi and commercial city of Blantyre where Ryalls Hotel is located. The valuation conforms to International Valuation Standards and was based on the income method of valuation approach.

Had it been that the Company did not adopt a revaluation policy, the carrying amount of land and buildings for the Company would have been K720 million (2023: K720 million).

Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting year.

The fair value measurements have been categorized as Level 3 for value based on inputs to the valuation techniques used.

	30 June 2024 Level 3 K'000	31 Dec. 2023 Level 3 K'000
8. Intangible assets		
Software		
Cost		
At the beginning of the period	42 676	42 676
At the end of the period	42 676	42 676
Amortisation		
At the beginning of the period	35 209	31 314
Amortization charge for the period	1 948	3 895
At the end of the period	37 157	35 209
Carrying amount at the end of the period	5 519	7 467

9. Investment in associate		
Balance as at the beginning of the year	3 842 240	3 907 671
Additional investment	3 283 740	-
Share of loss	(38 857)	(74 594)
Interest on amount awaiting capitalisation	-	9 163
Balance as at the end of the period	7 087 123	3 842 240
Analysed as follows:		
Property, land and equipment	19 774 843	16 446 544
Trade and other receivables	2 200 757	282 963
Cash and cash equivalents	502 800	396 947
Total assets	22 478 400	17 126 454

9.5 Investment in associate

	30 June 2024	31 Dec. 2023	
	Level 3	Level 3	
	K'000	K'000	
Liabilities			
Trade and other payables	4 218 716	968 245	
Loans and other liabilities	-	52 982	
Total liabilities	4 218 716	1 021 227	
Net assets in Oasis as at the end of the year	18 259 684	16 105 227	
Company's share 20.83% (December 2023: 23.53%)	3 803 384	3 789 560	
Amount awaiting capitalisation	3 283 740	52 680	
Balance as at the end of the year	7 087 123	3 842 240	

LR 4.43(2)(i)

Blantyre Hotels plc has so far invested in Oasis an amount of K7.3 billion. The Company is expected to invest an additional amount through debt finance and equity financing in Oasis Hospitality Limited. The Oasis shareholders, through a resolution, approved the raising of additional equity funding from third parties and existing shareholders. Currently, no other investor has come up to provide further equity funding. BHL, as promotor of the project, has undertaken to raise all the required additional funding for Oasis to the extent that no other investor comes up. Blantyre Hotels plc is raising this funding through a debt in hard currency from various lenders and its shareholders through a rights offer, which is expected to conclude in December 2024.

9.6 Further financial information

More detailed financial information about the Company and the SPV as required by the MSE Listings Requirements will be provided in the Prospectus.

10. Financial Effects of the Rights Offer

Entitled Shareholders who take up their pro rata Rights Shares in full will maintain their interest in the Company. Entitled Shareholders who do not take up any of their rights to subscribe for the Rights Shares will suffer an immediate dilution of up to a maximum of 86% of their interest in the Company.

The Directors expect that the Rights Issue will make a positive contribution in the years ending 31 December 2024 and onward. Adjusting for the receipt of the net proceeds from the Rights Offer, the Company's illustrative net assets as of 31 December 2024, on a pro forma basis, would have been K69.3 billion – *details will be contained in the Prospectus.*

11. Dividends and dividend policy

The Company will maintain a policy of paying a dividend of up to 50% of profits after tax. The Company is unlikely to declare a dividend for the year ending 31 December 2024. Nevertheless, dividend payments are expected to resume in the medium term.

12. Material changes

There has been no significant change in the trading or financial position of the Company since 31 June 2024 (the date to which the latest consolidated financial information of the Company was prepared).

LR 4.58

13. The green shoe option

The Greenshoe Option is a term that refers to an over-allotment option used by companies during their initial public offerings. It is named after the first firm to use this clause, Greenshoe Manufacturing.

For a Greenshoe option to work, a provision is included in an underwriting agreement that grants the underwriter the right to sell additional shares of a public offering if demand conditions warrant such action. For example, if a company instructs the underwriters to sell 300 million Shares, the underwriters can issue an additional 45 million shares by exercising a Greenshoe Option (300 million shares x 15%).

Underwriters use a Greenshoe Option in one of two (2) ways:

First, if the public offering is a success and the share price surges, the underwriter exercises the option to buy the extra stock from the company at the predetermined price and issue those shares, at a profit, to their clients. Conversely, if the price starts to fall, they buy back the shares from the market instead of the company to cover their short position, supporting the stock to stabilize its price.

The Greenshoe Option gives the underwriters the right to issue and sell more shares than originally planned by the issuer. This can provide additional funds for the issuer and additional profits for the underwriters. The Greenshoe Option is a common feature in modern IPOs, and it plays an important role in ensuring the success of the offering.

Part 4
Notice of the EGM



BLANTYRE HOTELS plc
(the "Company")

Company Registration Number 178

NOTICE OF EXTRAORDINARY GENERAL MEETING

To: All Members
All Directors

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the members of the Company will be held at Ryalls Hotel in Blantyre on Thursday, 10 October 2024, from 2:30 pm or soon thereafter to transact the following business:

Item no.1

Financial statements

To receive and, if deemed appropriate, adopt the report of the Directors, the report of the Auditors, and the Company's Financial Statements for the period ended 30 June 2024.

Item no.2

Increase of share capital

To consider and, if deemed fit, to pass with or without modifications the following ordinary resolution:

Resolved that pursuant to the provisions of Article 37 of the Company's Articles of Association as read with the Companies Act, Cap. 46:03, of the Laws of Malawi (the "**Companies Act**") and following the Malawi Stock Exchange Listings Requirements, 2023 (the "**Listings Requirements**"), the approval of the members is hereby granted for the increase in the authorised share capital of the Company by K250,000,000.00 from K250,000,000.00 to K500,000,000.00 divided into 10,000,000,000 ordinary shares of 5 tambala each ranking *pari passu* with the existing equity shares and that clause 4 of the Company's Memorandum of Association be replaced with the following clause:

The share capital of the Company is five hundred million Kwacha only (K500,000,000.00) divided into 10,000,000,000 (Ten Billion) shares of par value five tambala (5t) each with power to increase, reduce, or vary the same from time to time and to divide the shares in the capital, whether original or increased, into several classes and to attach thereto respectively any preferential, deferred qualified or special rights, privileges or conditions as may be determined at the time of issue by or in conformity with the regulations of the company for the time being.

Resolved further that to give effect to the above resolution, the Board of Directors of the Company (the "**Directors**") be and are hereby authorized to do all such acts, deeds, matters, and things and execute all such deeds, documents, instruments, and writings as they may in their sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto – *see explanatory statement on item no.2.*

Item no.3

Rights Offer to all Shareholders

To consider and, if deemed fit, to pass with or without modifications the following ordinary resolution:

Resolved that subject to and contingent upon the passing of the ordinary resolution under Item no.2 in this EGM Notice:

- a) A renounceable underwritten rights offer (the "**Rights Offer**") of up to 7,000,000,000 new ordinary shares of 5 tambala each or thereabouts in the capital of the Company (the "**Rights Shares**"), at such price as the Directors may find appropriate at the time of the issue of the prospectus (the "**Issue Price**"), based on such number of Rights Shares for every one (1) existing ordinary share of the Company ("**Shares**") held by shareholders of the Company (the "**Shareholders**") who are eligible to participate in the Rights Offer

("Entitled Shareholders") and such other new investors ("New Shareholders") as will come forth to subscribe to any Rights shares not taken up by Entitled Shareholders as at a books closure date announced by the Company (the "Books Closure Date"), the Directors having the discretion to exercise a green shoe option (over-allotment), be and is hereby approved.

- b) Authority be and is hereby given to the Directors to:
- (i) Issue such number of Rights Shares as the Directors may determine up to 7,000,000,000 Rights Shares at the Issue Price;
 - (ii) Provisionally allot and issue up to 7,000,000,000 Rights Shares at the Issue Price for each Rights Share based on such number of Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Books Closure Date;
 - (iii) Allot and issue the Rights Shares on the terms and conditions set out below and/or otherwise on such terms and conditions as the Directors may think fit:
 - (aa) The provisional allotment of the Rights Shares under the Rights Offer shall be made on a renounceable underwritten basis to Shareholders whose names appear in the Register of Members of the Company as at the Books Closure Date based on such number of Rights Shares for every (1) existing Share.
 - (bb) To aggregate and allot the provisional allotment of the Rights Shares not taken up or allotted for any reason to satisfy excess applications for the Rights Shares by existing shareholders and any remainder after that, to satisfy applications from the general public, over-allotment options, or otherwise dispose of or to deal with such provisional allotment of the Rights Shares and requests for splits in such manner and on such terms and conditions as the Directors may in their absolute discretion deem fit.
 - (cc) The Rights Shares, when issued and fully paid up, will rank *pari passu* in all respects with the existing Shares save for any dividends, rights, allotments, or other distribution, the record date for which falls before the date of the allotment and issue of the Rights Shares; and
- c) **That the Directors be and are hereby authorised to take such steps, and do all such acts and things, including but not limited to finalising, approving, and executing all such documents as may be required in connection with the Rights Offer and the issue of the Rights Shares, and making amendments to the terms and conditions of the Rights Offer (including the Issue Price) and obtaining approvals and waivers of the Malawi Stock Exchange, Registrar of Financial Institutions and such other authorities as may be necessary and to list the Rights Shares with the Malawi Stock Exchange and to exercise such discretion as the Directors may in their absolute discretion deem fit or advisable to give full effect to this ordinary resolution and the Rights Offer, and the allotment and issue of the Rights Shares – see explanatory statement on item no.3**

Item no.4

Any other business

To transact such other business, prior notice of which should have been given to the office of the Company Secretary not less than seven days before the date of the meeting.

By order of the Board
Original signed
Leonard Chisale
Company Secretary
6 September 2024

Registered office
Chibisa House
19 Glyn Jones Road
P O Box 21
Blantyre

Notes:

1. A member of the Company entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him or her. A proxy need not be a member of the Company.
2. A Form of Proxy is enclosed with this document. Instructions for use are shown on the form. Lodging a form of proxy will not prevent a member from attending and voting in person.

3. To be valid, the Form of Proxy (together with any power of attorney or authority under which it is signed or a notarially certified copy of such power or authority) must be received by the Company Secretary not less than 48 hours before the time appointed for the meeting or, as the case may be, the adjourned meeting.
4. To be entitled to attend and vote at the meeting (and for the determination by the Company of the number of votes cast), members must be entered on the Company's register of members at 6.00 p.m. on 1 October 2024 or, if the meeting is adjourned, on the Company's register of members at 6.00 p.m. on the date two days before the date of any adjourned meeting.
5. A shareholder who is a corporate and who wishes to be represented at the meeting by a person (a corporate representative) with authority to speak or vote on a show of hands, and a poll must appoint such a person by resolution of its directors. A corporate representative has the same powers on behalf of the corporation he/she represents as that corporation could exercise if it was an individual member of the Company.

Explanatory statement:

Item No 2

The present authorized share capital of the Company is K250,000,000.00 divided into 5,000,000,000 ordinary shares of 5 tambala each. The Company is proposing to make a rights Offer to all shareholders (the "**Rights Offer**"), and proposals in this regard are contained in this notice. Considering the proposed Rights Offer and future capital growth, the Board has approved, subject to the members' approval, an increase in the authorized share capital to K500,000,000.00 divided into 10,000,000,000 ordinary shares of 5 tambala each to cater for future capitalization needs.

Under the provisions of Sections 83 and 89(2) of the Companies Act, Cap.46:03, Laws of Malawi, and Article 37 of the Company's Articles of Association, an increase in the share capital of the Company and consequent amendment in the capital clause in the Memorandum of Association of the Company requires approval of the members. Approval of the members is, therefore, sought in terms of the said provisions by way of ordinary resolution.

The Board of Directors recommends the resolution under Item No. 2 of the EGM Notice for approval of members.

None of the directors of the Company is in any way personally concerned or interested in the resolution.

Item No.3

At the Board Meeting of 6 September 2024, the Directors recommended that the company raises further capital by way of a Rights Offer to all members of the Company. The capital to be raised is **K62,400,000,000.00** or thereabouts as determined by the Directors. If the said capital is raised, the Company will have realized the means for completing the construction of a hotel property in the City of Lilongwe in line with its business expansion and growth strategy.

Background to the hotel project

The Company's main business is the provision of accommodation, conferencing, and catering services. It operates a 117-bed Protea Hotel Ryalls by Marriott in the City of Blantyre, where it enjoys world-class custom from domestic and international business and leisure clientele.

The Company has for so many years operated a single hotel in the City of Blantyre. To expand its footprint into the ever-growing City of Lilongwe, the Company teamed up with other institutional investors to develop a hotel property in the City of Lilongwe through a special purpose limited company (SPV), Oasis Hospitality Limited ("**Oasis**"). Oasis will own the hotel property and lease it out to the Company to operate the hotel. The hotel property site is set on a 3.271-hectare piece of land, part of the lushly planted Lilongwe Golf Course. The existing golf clubhouse has been re-configured, creating a world-class golf estate, 180-bed hotel, and conferencing and events venue. Construction of the hotel property is at an advanced stage.

When completed, the new hotel will be operated under a management agreement with Marriott International, Inc. ("**Marriot**"), a leading and widely known luxury hotel management company. It will carry the brand name, 'Protea Hotel by Marriott'. Marriott is a leading global lodging company operating more than 6,000 hotels in 122 countries and territories.

Additional capital is required.

Additional capital is required to complete the project in time, and the Company has embarked on a capital-raising drive to mobilize the additional capital from its existing shareholders as well as from new subscribers (corporate, institutional, individual investors, and ordinary Malawians). When completed, the 4-star hotel will greatly broaden the hospitality, events, and conferencing offerings of the City of Lilongwe for the East and Southern Africa region.

The Rights Offer

Under Sections 92 and 102 of the Companies Act, Article 38 of the Company's Articles of Association, paragraph 4.40 of the MSE Listings Requirements, and paragraph 19(1)(a)(i) of the Securities (Registration Requirements of Securities) Directives 2024 a resolution of the members is required to approve the Rights Offer. The members must also stipulate the maximum discount, if any, at which the Rights shares may be issued. Workings As to what levels of discount would be optimal for this Rights offer will be contained in the Circular to Members.

Article 38 of the Company's Articles of Association also requires that new shares of the Company be offered in the first instance to existing shareholders proportionate to their existing shareholding ("Pre-emption Rights") unless the shareholders by ordinary resolution before the Offer of the new shares make provision that the new shares be issued and allotted otherwise. However, when shares are offered to existing Shareholders, the Shareholders are not bound to accept the offer. Others may accept only part of the offered shares. Dealing with the Shares not taken up during a Rights Offer in accordance with Pre-emption Rights can be cumbersome, expensive, and slow. The resolution in Item No. 3 seeks to empower the Directors to execute the Rights Offer in an efficient and orderly manner, having first respected the Pre-emption Right of every Shareholder and thereafter deal with renunciations and application for splits and other attendant matters as expeditiously and efficiently as possible without being bound to consider Pre-emption Rights again.

In connection with this Rights Offer, the Directors also request the members' approval that the Company be at liberty (but not under an obligation) to exercise an option to over-allot or effect transactions (of not more than 15 % of the Rights Offer size) which may support the market price of the Company's shares post the Rights Offer at a level higher than that which might otherwise prevail for a limited period after the listing date. Such stabilizing action, if undertaken, is not to continue beyond 30 calendar days after the listing date under any circumstances. Details as to the rationale for the green shoes option will be contained in the Circular to Members.

The Directors recommend the resolution under Item No.3 of the EGM Notice for approval of members.

None of the Directors of the Company is in any way personally concerned or interested in the resolution except to the extent that Directors holding shares in the Company will have their Pre-emption Rights treated the same way as the rest of the Shareholders, and they will vote in favor of the resolution.

**Part 5
Form of Proxy**



BLANTYRE HOTELS plc
(the "Company")
Company registered number 178

**FORM OF PROXY
(Articles 73,74 and 75)**

*I/We of
..... (address), being a *member/members of the
above-named company, hereby appoint
..... of
..... or failing him
..... of
..... as *my/our proxy to vote for *me/us on *my/our behalf at the
Extraordinary General Meeting of the Company, to be held on the 4th day of **October**, 2024, and at any adjournment
thereof.

This form is to be used in respect of the following proposed resolutions (Tick the appropriate box to indicate your vote):

Proposed Resolution	Item No. containing Resolution	In favour**	Against**
The proposed resolution to receive, and if deemed appropriate, adopt the Report of the Directors, the Report of the Auditors, and the Financial Statements of the Company for the period ended 30 June 2024.	Resolution contained in Item No. 1		
The proposed resolution to approve increase of the Company's authorised share capital by K250,000,000.00 from K250,000,000.00 to K500,000,000.00 divided into 10,000,000,000 ordinary shares of 5tambala each ranking <i>pari pasu</i> with the existing equity shares and the consequential amendment to clause 4 of the Memorandum of Association.	Resolution contained in Item No. 2		
The resolution, contingent upon the passing of the resolution contained in Item No. 2, authorising the Directors to carry out a renounceable underwritten rights offer (with a green shoe option) of up to 7,000,000,000 new ordinary shares to existing shareholders of the Company at such price and based on such number of new shares for every one (1) existing ordinary share as the Directors may think and to do such acts attendant to carrying the resolution into effect.	Resolution contained in Item No. 3		

Unless otherwise instructed, the proxy will vote as he thinks fit.

* Delete accordingly

** A tick or cross would represent that you are exercising all your votes "**In favour**" or "**Against**" voting on the resolution. In the absence of specific directions in respect of a resolution, your proxy will be treated as invalid.

Signed this day of, 2024.
Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ THE NOTES BELOW

NOTES:

1. *Shareholders may insert the name of a proxy or the name of two alternative proxies of the shareholder's choice in the space provided. The person whose name appears first on the form of proxy shall be entitled to act to the exclusion of those whose names follow.*
2. *The proxy must not be a Director or an Officer of the Company.*
3. *The authority of the person signing a proxy or representing an institutional shareholder should be attached to the proxy form in the form of a Board resolution confirming that the proxy has been appointed to represent the shareholder at the Company's Extraordinary General Meeting.*
4. *Forms of proxy must be lodged at or posted to be received at the registered office of the Company Secretary, Blantyre Hotels plc, Ryalls Hotel, 2 Hannover Avenue, P O Box 21, Blantyre, or at the office of the Transfer Secretaries, NICO Asset Managers Limited, Chibisa House, 9 Glyn Jones Road, P O Box 3173, Blantyre not less than 48 hours before the time of the meeting.*
5. *The completion and lodging of this form of proxy shall not preclude the relevant shareholder from attending the Extraordinary General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms thereof should the shareholder wish to do so.*
6. *The Chairman of the Extraordinary General Meeting may accept a proxy form that is completed and /or received other than following these instructions, provided that he is satisfied with how a shareholder wishes to vote.*
7. *Any alteration or correction to this form must be initiated by the signatory/signatories.*

Part 6

Notice of shifting the EGM



BLANTYRE HOTELS PLC
(the "Company")
Company registered number 178

NOTICE OF CHANGE OF DATE OF EXTRAORDINARY GENERAL MEETING TO 10 OCTOBER 2024

Reference is made to the Notice of the Extraordinary General Meeting (EGM) of Blantyre Hotels plc (BHL/ the Company) dated 6th September 2024, published on 12 September 2024. As stated in the Notice, the EGM was scheduled to be held on Friday, 4 October 2024, from 14:30 hours. The Company hereby announces that the EGM has been rescheduled to Thursday, 10th October 2024, from 14:30 hours. The change in the date ensures full compliance with the regulatory requirements for making relevant documentation available to all shareholders.

The venue remains the same, and the EGM will, therefore, still be held physically. A virtual option will also be available.

All shareholders who intend to participate in the EGM through virtual attendance are required to register their email addresses by sending an email to transfersec@nicoassetmanagers.com by Tuesday, 8th October 2024.

Any questions and comments related to the business to be transacted at the EGM should be sent by email to transfersec@nicoassetmanagers.com or by post to NICO Asset Managers Limited, Transfer Secretaries, P.O. Box 3173, Blantyre, by Monday, 7th October 2024. Responses to questions and comments will be read out and commented upon by the Chairperson during the meeting. Shareholders will also have the opportunity to ask questions during the live virtual meeting.

A link to the meeting will be sent to shareholders through their registered email addresses or WhatsApp numbers on 9 October 2024.

The Board wishes to inform all shareholders that except for the change of the date of the EGM, the agenda of the EGM remains unchanged.

By Order of the Board

Original signed

Leonard Chisale
Company Secretary
1 October 2024