

UNISYST ENGINEERING PLC
(Company No. PQ 229)
No. 400, Deans Road,
Colombo 10.
Tel: 94 11 2627650

08th February 2021

CIRCULAR TO SHAREHOLDERS

Dear Shareholder,

SUBDIVISION OF ORDINARY SHARES (VOTING)

We wish to advise you that the Board of Directors of the Company has recommended a subdivision of ordinary shares by splitting each ordinary share into two (02) ordinary shares. Consequent to the subdivision total number of issued ordinary shares will be increased from 22,058,200 ordinary shares to 44,116,400 ordinary shares in the Company. The ordinary shares so increased are *pari pasu* in respect of voting and all other respects with the existing ordinary shares from which such increase arose and there has been no change to the stated capital of the Company and will remain at Rs. 446,672,723/-.

In terms of the Articles of Association of the Company, it is required to obtain the approval from the shareholders by way of a Special Resolution for subdivision of shares at a General Meeting.

Notice of Meeting for the said purpose is attached herewith with a Form of Proxy and the instructions how you should participate at the meeting and vote. As stated in the 'Instructions to join the Meeting' page, the said General Meeting will be held on 'Online meeting platform' and in line with the Articles of Association of the Company.

Please note the following.

- a) The requisite compliances with the Colombo Stock Exchange has been met in this regard.
- b) The entitlement for subdivision will be based on the shareholding of the Company as at end of trading on the date of the General Meeting.
- c) Share trading will be suspended on the market date immediately after the General Meeting from 05th March 2021, 8th March 2021 and 09th March 2021 (03 Market days) for the purpose of uploading CDS records.
- d) Article 9 (1) (i) of the Articles of Association of the Company permits such increase of shares by subdivision.
- e) The modality which the Company has proposed for the increase in shares is consistent with the provisions of the Companies Act No 7 of 2007.
- f) **CDS Shareholders - Uploading Shares to the CDS Accounts**
The increased shares will be uploaded to the each CDS shareholders' CDS Account prior to the commencement of trading.

The Company will obtain a 'Broker wise' entitlement schedule from the CDS as at the entitlement date, ie the date of the General Meeting after trading for the purpose of carrying out the direct upload of shares to the respective CDS Account. Calculation of increase in shares

will be on the total number of shares of shareholders in CDS and then carried out the direct upload proportionately to the respective Broker wise CDS accounts ensuring that the shareholders will not lose any shares due to the fact that such apportionment is amongst more than 2 CDS Accounts operated under different Brokers/Participants.

Existing Shareholders who hold shares in certificate Form

Please note that all the share certificates issued by the Company up to now deemed to have been cancelled and not valid after the date of the General Meeting (after trading).

Shareholders who do not have CDS Accounts are kindly requested to open a CDS Account with the CDS and forward us such CDS Account number for us to directly deposit the increased shares under the proposed subdivision to the CDS Account so opened.

No Share certificates will be issued for the increased shares under this subdivision.

- g. Entity's shares will commence trading after the increase in shares from 10th March 2021

Thanking you.

By order of the Board

UNISYST ENGINEERING PLC

For HAYLEYS GROUP SERVICES (PVT) LTD

Secretaries