

SUNSHINE HOLDINGS PLC

Circular to Shareholders

Dear Shareholders,

RE: SUBDIVISION OF ORDINARY SHARES IN SUNSHINE HOLDINGS PLC

Background

The Board of Directors of Sunshine Holdings PLC (the “Company”) resolved on 24th December 2024, subject to the approval of shareholders at an Extraordinary General Meeting (“EGM”), to increase the shares in the Company by way of subdivision of its shares with the objective of increasing the liquidity of the shares, thereby affording better trading opportunities to the holders of such shares, in the manner prescribed hereinbelow.

Details of the proposed subdivision of shares

The details pertaining to the subdivision of shares are as follows:

1. The total number of ordinary shares of the Company as at date is four hundred and ninety one million nine hundred and seventy three thousand six hundred and twenty nine (491,973,629) (“Pre-Subdivision Shares”).
2. The proportion at which the subdivision will be carried out is as one (1) Pre-Subdivision Share into four (4) ordinary shares.
3. The number of shares of the Company prior to the proposed subdivision will be four hundred and ninety one million nine hundred and seventy three thousand six hundred and twenty nine (491,973,629) ordinary shares and pursuant to the proposed subdivision the number of shares of the Company will be one billion nine hundred and sixty seven million eight hundred and ninety four thousand five hundred and sixteen (1,967,894,516) ordinary shares (“Post-Subdivision Shares”).
4. The current stated capital of the Company is LKR 4,240,394,447 and the proposed subdivision will not result in any change of the stated capital of the Company.
5. The Post-Subdivision Shares will have the same rights vis-à-vis the Pre-Subdivision Shares and the Subdivision will leave unaffected the relative voting and distribution rights of the holders of the ordinary shares.
6. The date of entitlement / record date will be 13th February 2025, being the 2nd market day from and excluding the date of EGM (the “Record Date”). Accordingly, the shareholding

of shareholders of the Company as at the end of the Record Date will be considered for purposes of effecting the said subdivision of shares.

Dealing Suspension

For the purpose of updating records of the shareholders whose shares are lodged in the Central Depository Systems (Private) Limited ("CDS"), dealing in the shares of the Company will be suspended by the Colombo Stock Exchange for a period of five (5) market days from and excluding the date of the EGM. Accordingly, dealing in the shares of the Company will be suspended for a period of five (5) market days from 11th February 2025 to 18th February 2025 (both days inclusive).

The dealing in shares following the subdivision will re-commence on 19th February 2025.

Uploading of Shares to the CDS records and Issue of share certificates to the shareholders for Post-Subdivision Shares.

Subsequent to the subdivision, the CDS records will be updated and with regard to shareholders whose shares have been lodged with the CDS, the new shares will be directly uploaded to their respective CDS accounts prior to the commencement of trading on 19th February 2025.

In the case of shareholders whose shares have not been lodged with the CDS, those shareholders are kindly requested to open accounts with the CDS prior to the date of the EGM convened as per the attached Notice of Meeting in order to ensure compliance with the directive of the Securities and Exchange Commission of Sri Lanka (SEC/LEG/10/11/51) dated 22nd November 2010. Until such CDS accounts are opened by shareholders who do not have CDS accounts, the subdivided shares of such shareholders will only be registered in the share register of the Company and no share certificates will be issued to such shareholders. Any share certificates pertaining to the Pre-subdivision shares that had not been deposited in an account maintained with the CDS shall be deemed to be invalid *ipso facto* upon the subdivision.

When determining the number of shares held by a shareholder as at the relevant date for the purposes of subdivision, the shareholding of the shareholders appearing in the share register maintained by the Company and in the CDS will not be aggregated. However, if a shareholder holds shares through multiple accounts maintained through several stockbrokers, the said shares will be aggregated for the purpose of calculating the entitlement at the subdivision, and the shares arising as a result thereof will be uploaded to the respective CDS accounts held with each broker.

Compliance with the law

Subdivision, and the modality the Company proposes to adopt in effecting the increase of shares by way of a subdivision is consistent with the Companies Act No. 7 of 2007 and other applicable laws.

Article 12(i)(b) of the Article of Association of the Company, as quoted below, permits the Company to subdivide the shares in the Company by following a procedure to effect such subdivision as the Board of Directors may consider appropriate.

“The Company may subdivide all of the shares in the Company or all of the shares in a particular class of shares in the Company into a greater number of shares, in proportion to those shares, leaving unaffected the relative voting and distribution rights of the holders of those shares, by following a procedure to effect such subdivision as the Board may consider appropriate.”

The concurrence of the Colombo Stock Exchange has been obtained for the subdivision of shares. The Company does not require the approval of any regulator other than the Colombo Stock Exchange for the subdivision.

An EGM will be held on 10th February 2025 as per the attached Notice of EGM, for the purpose of the shareholders considering and thought fit, approving the proposed subdivision of shares by ordinary resolution.

By Order of the Board,
CORPORATE SERVICES (PRIVATE) LIMITED,
Secretaries,
SUNSHINE HOLDINGS PLC


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Chief Executive Officer
CORPORATE SERVICES (PRIVATE) LIMITED
Secretaries

On this 22nd day of January 2025