

Date: 14th October 2025

Ms Nilupa Perera
Chief Regulatory Officer
Colombo Stock Exchange
Level 4 – West Tower
World Trade Centre
Echelon Square
Colombo 01

Dear Madam,

DISCLOSURE: Reduction of Stated Capital of Tess Agro PLC

We write in pursuance of Section 8 of the Listing Rules of the Colombo Stock Exchange and wish to inform the following:

The Board of Directors of Tess Agro PLC ('the Company') has resolved on 10th of October 2025 that, subject to determination by the Company's shareholders by a special resolution to be passed at an Extraordinary General Meeting (EGM) of the Company, the Company's capital be restructured by means of a reduction of its stated capital without effecting any change to the number of issued and fully paid ordinary shares. Accordingly, it was resolved that:

That the stated capital of the Company, as reflected in the Audited Financial Statements as at 31 March 2025, being Rupees Six Hundred and Seventy-One Million Seventy-One Thousand Two Hundred and Ninety-One (Rs. 671,071,291), represented by Six Hundred and Seventy-Seven Million Sixty-Three Thousand Forty-Nine (677,063,049) voting shares and Sixty-Six Million Six Hundred Sixty-Six Thousand Six Hundred Sixty-Seven (66,666,667) non-voting shares, be reduced to Rupees Two Hundred and Sixty-Nine Million (Rs. 263,000,000).

That the accumulated losses of the Company as at 31 March 2025, amounting to Rupees Four Hundred and Sixty-One Million Six Hundred and Thirty-One Thousand Seven Hundred and Three (Rs. 461,631,703), as per the said audited financial statements, be written off to the extent of Rupees Four Hundred and Eight Million Seventy-One Thousand Two Hundred and Ninety-One (Rs. 408,071,291) against the stated capital, without any alteration to the number of fully paid ordinary shares. Consequently, the accumulated losses will stand reduced to Rupees Fifty-Three Million Five Hundred and Sixty Thousand Four Hundred and Twelve (Rs. 53,560,412).

The circular to shareholders and notice of the meeting will be forwarded in due course.

The proposed reduction in capital, subject to shareholder approval, will improve the Company's negative equity position and enhance its ability to pay dividends and source future funding.

The date of the Extraordinary General Meeting will be notified to the market in due course.

Yours faithfully,

By Order of the Board

TESS AGRO PLC




Prestige Secretaries