Circular to the Shareholders on the First and Final Dividend for 2026

Dear Shareholder/s,

First and Final Dividend for the year ended March 31, 2026 to be Satisfied by the Allotment and Issue of New Shares.

The Board of Directors of the Company by circular resolution dated 28th August 2026 is pleased to inform its Shareholders that a first and final scrip dividend of Rs. 0.70 per share for the financial year ended March 31, 2026, has been recommended for declaration at the virtual Annual General Meeting ('AGM') to be held on 23rd September 2026 at 3.00 pm.

This dividend consists of: a scrip dividend of Rs. 0.70 per share, to be satisfied by the allotment of new ordinary shares out of the dividend received by the Company.

The Board of Directors is confident that, the Company will be able to satisfy the solvency test set out in Section 57 of the Companies Act No. 07 of 2007 (as amended) ['CA 2007'] immediately post allotment of such dividend. A Certificate of Solvency has been received by the Company's Auditors, Messrs. Ernst & Young, Chartered Accountants.

Subject to obtaining the approval of the Shareholders, the said dividend will be satisfied in accordance with a distribution scheme where by:

(i) New ordinary shares will be allotted and issued, in satisfaction of the dividend entitlement, constituting a total sum of Rs.82,829,681.20 based on the issued and fully paid shares of the Company as at 31st March 2026

Accordingly, and in pursuance of the aforesaid distribution scheme, the Company proposes to issue:

4,060,278 number of new ordinary shares, calculated based on the issued and fully paid ordinary shares as at 31st March 2026 and on the basis of their market value (closing price) as at end of trading on 25th August 2026;

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The said shares shall be issued in the following ratios to the entitled Shareholders of the Company:

a. 1 new fully paid ordinary share for every 29.14286066 existing issued and fully paid ordinary shares calculated on the basis of market value (closing price) of the ordinary shares as at end of trading on 25th August 2026; and

The above share ratio is based on a value of Rs. 0.70 Cents per ordinary share (subject to applicable government taxes) as at the end of trading on 25th August 2026. The Board of Directors is satisfied that the aforementioned values which constitute the consideration for which the new shares are to be allotted and issued is fair and reasonable to the Company and to all its existing Shareholders.

Entitled Shareholders

Shareholders entitled to participate in the said dividend are those who are duly registered in the Company's Share Register and also those shareholders whose names appear on the Central Depository Systems (Pvt) Ltd ('CDS') as at end of trading on the Record Date -25th September 2026 [i.e. the Second (2nd) market day from and excluding the date of the meeting] (the 'Entitled Shareholders').

In calculating the number of shares held by the shareholders at the relevant date for the proposed allotment and issue of new shares ,the shareholding of the shareholder as appearing in the CDS and the Shareholders' Register maintained by the Registrars of the Company [SSP Corporate Services (Pvt) Ltd, No. 101, Inner Flower Road, Colombo 03] will not be aggregated. However, if a shareholder holds shares with multiple Trading Participants, the shares held with multiple Trading Participants will be aggregated for calculation purposes, and the shares arising as a result of the proposed issue and allotment of new shares will be uploaded proportionately to the respective CDS accounts held with each Trading Participant. The Company has obtained approval in principle of the Colombo Stock-Exchange ('CSE') for the proposed allotment and issue of new shares.

Residual Fractions of Shares

The residual fractions arising from the aforementioned allotment and issue of new ordinary shares respectively, will be aggregated and the shares arising consequent thereto will be allotted to trustees to be nominated by the Board and subject to receiving the approval of the Shareholders therefor, such shares will be sold and the net sale proceeds arising therefrom be distributed to a charity/ charities approved by the Board of Directors. The donation will be effected by the Company within a reasonable period of time.

Residual fractions of ordinary shares above mentioned shall mean the above mentioned fractions arising after applying the following formula:

$$\frac{\text{Number of Ordinary shares held by a shareholder at end of trading on the Record Date X 1}}{29.14286066}$$

Status of the New Shares

The new ordinary shares to be so issued, immediately consequent to due allotment thereof to the entitled Shareholders, shall rank equal and pari passu in all respects with the existing issued and fully paid ordinary shares of the Company.

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Listing approval
An application has been made to the CSE for listing of new Ordinary Voting Shares on the CSE. The application has been approved "in-principle' by the CSE.

Shareholder Approvals
The proposed method of satisfying the above mentioned first and final dividend is subject to Shareholders granting approval therefor by passing the resolutions set out in the attached Notice of Meeting pertaining to the following matters:

> Authorization to satisfy the first and final dividend by an allotment and issue of new shares:

Article 4 (1)(b) and 16 (1) of the Company's Articles of Association and Companies Act No. 7 of 2007, the Board is empowered to pay a dividend by way of shares. The Board seeks the authorization of Shareholders for the satisfaction of the first and final dividend by the issue of new ordinary shares in the manner set out above.

The relevant resolution to be passed by the Shareholders in this regard is set out in the attached Notice of Meeting.

As mentioned previously, the first and final dividend is proposed to be satisfied, by the allotment and issue of new ordinary shares in the manner set out above and on the above-mentioned application of the above mentioned share proportion.

The Company is required, in compliance with the above provisions, to seek Shareholder approval by an ordinary resolution for the proposed method of satisfaction of the first and final dividend by an allotment and issue of new ordinary shares in the manner set out above.

The relevant ordinary resolution to be passed by the Shareholders in this regard of the attached Notice of Meeting.

Confirmation of Compliance
The Board of Directors hereby confirms that the allotment and issue of new shares is incompliance with the Articles of Association of the Company, the Listing Rules of the CSE and the provisions of the CA 2007.

Allotment of the New Shares
The Board of Directors emphasizes that the afore mentioned allotment and issue of new shares is in satisfaction of the first and final dividend for the year ended March 31st, 2026 and shall be dependent on and subject to the Shareholders passing the requisite resolutions.

Uploading of Shares in to CDS Accounts
In the event that the requisite resolution declaring the dividend (including its manner of satisfaction there of) by way of the issue and allotment of new shares is passed by the Shareholders, the accounts of the Shareholders whose shares are deposited in the CDS would be directly uploaded with the new ordinary shares to the extent that such Shareholder has become entitled there to.

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The shares would be uploaded within five (05) market days from and excluding the Record Date. If a Shareholder holds multiple CDS accounts the total entitlement will be directly deposited to the respective CDS accounts proportionately. Pursuant to a Direction issued by the Securities and Exchange Commission of Sri Lanka ('SEC') under circular n No. 08/2010 dated November 22,2010 and circular No. 13/2010 dated November 30, 2010 issued by CDS.. Pertaining to the dematerialization of listed securities, the Shareholders who hold shares in scrip form (i.e. Share Certificates) as per the Share Register maintained by the Registrars of the Company, will not be issued Share Certificates for the new shares allotted and issued in their favour. Such Shareholders are accordingly requested to open an account with the CDS an deposit their Share Certificates in the CDS prior to the date of the AGM of the Company. This will enable the Company to deposit the new shares directly into the Shareholder's CDS Account.

If a Shareholder fails to deposit his/her existing ordinary shares in the CDS prior to the date of the AGM, such Shareholder's entitlement of new ordinary shares will be deposited by the Company after such Shareholder has opened a CDS Account and has informed the Company's Registrars in writing of his/her CDS account number. Until such CDS account is opened by a Shareholder as afore- mentioned, the new ordinary shares that are allotted in his/ her favour will be registered in such share-holder's account in the Share Register maintained by the Registrars of the Company.

Consequent to the opening of the CDS account by such Shareholder, the new shares will be credited to such CDS account. Direct uploads pertaining to written requests received from Shareholders to deposit such shares will be done on a weekly basis.

Annual General Meeting (AGM)
The Annual Report comprises the Notice convening the AGM for 23rd September 2026 and the relevant resolutions to be passed by the Shareholders in the above regard.

Form of Proxy
Shareholders who are unable to participate at the meeting are entitled to appoint a proxy to participate at the said meeting by and speak and also vote on their behalf, depending on their voting rights. If you wish to appoint such a proxy, kindly complete and return the enclosed Form of Proxy (in accordance with instructions not later than forty-eight (48) hours before the time appointed for the holding of the AGM.

Yours faithfully,

By Order of the Board of Galle Face Capital Partners PLC

Renuka Enterprises (Pvt) Ltd Company
Secretaries
10th September 2026