KRESTON
SRI LANKA

Kreston Corporate Services (Pvt) Ltd
Reg No: PV127178
Tax | Advisory | Outsourcing | Corporate Secretarial Services

31st August 2026

Ms. Nilupa Perera,
Chief Regulatory Officer,
Colombo Stock Exchange, #04-01,
West Block,
World Trade Center,
Echelon Square, Colombo 01.

Dear Madam,

KAPRUKA HOLDINGS PLC - DISCLOSURE AS PER THE PROSPECTUS DATED 14 DECEMBER 2021 VARIATION IN THE APPLICATION OF IPO FUNDS

USED-GOODS MARKETPLACE UNDER THE OBJECTIVE SET OUT IN CLAUSE 3.5.2 OF THE PROSPECTUS DATED 14 DECEMBER 2021

Further to the announcement made on 23 August 2022, we are making this announcement.

The Company has obtained shareholder approval for the variation in the application of funds amounting to Rs. 50,000,000, being the unutilized funds originally allocated to the objective set out in Clause 3.5.2 of the Prospectus dated 14 December 2021 relating to the Used-goods Marketplace, and the subsequent variation thereof approved by the shareholders at the Annual General Meeting held on 26 September 2022, to launch a marketplace platform for personal cargo collection and delivery from the Sri Lankan diaspora together with a door-to-door tracking system.

However, the management has assessed prevailing market conditions, expected customer demand, competition, regulatory requirements, operating requirements and expected financial returns, and has concluded that the launch and operation of the personal cargo collection and delivery marketplace is not commercially viable under the current market condition. Hence the Management recommended that the unutilized funds amounting to Rs. 50,000,000/- be allocated towards the working capital requirements of the company, thereby strengthening the Financial Position. The management believes that this reallocation will enhance the Company's financial stability and provide a robust foundation for its future initiatives.

Any utilisation of these funds will be subject to prior approval of the Board of Directors. In compliance with the Colombo Stock Exchange Listing Rules and the Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021, the Company will seek Shareholder approval for this proposed variation in the application of IPO proceeds at the upcoming Annual General Meeting of the Company.

By Order of the Board

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Mr. H.P.D.V. Herath
Chairman
Kapruka Holdings PLC

....
Ms. Sawumiya Selvaraja
Director Kreston Corporate Services (Pvt) Ltd
Secretaries of the Company

KRESTON CORPORATE SERVICES (PVT) LTD ★
PV127178