

HARISCHANDRA MILLS PLC – PQ 225

CIRCULAR TO SHAREHOLDERS

Dear Shareholder,

SUBMISSION OF ANNUAL REPORT TO SHAREHOLDERS AND AMENDMENT OF THE ARTICLES OF ASSOCIATION

1. Submission of the Annual report

As you are aware, Rule 7.5(b) of the Listing Rules of the Colombo Stock Exchange (“CSE”) permits companies to forward their annual reports to the shareholders in a mode other than in printed form.

Accordingly, the annual report of Harischanda Mills PLC for the financial year ended 31st March 2024 is available on the:

(1) Company website – www.harischandramills.com

(2) CSE website – <https://www.cse.lk>

A shareholder who requires a hardcopy of the Annual Report must forward the duly completed Request Form to the company.

We will furnish a printed copy of the annual report within eight (08) market days from the date of receipt of such written request.

2. Amendment of the Articles of Association ("Articles")

As per the amendments to Rule 7.10 and section 9 of the Listing Rules issued by the CSE (the “Amendment”), the Company is required to amend its Articles of Association to comply with the requirements introduced by the same. Further, as you may appreciate the existing Articles of Association of the Company is based on the Companies Ordinance, No. 51 of 1938 that has been repealed and is no longer in effect. Thus, the board of directors of the Company recommend that the Company adopt a new set of Articles of Association by replacing the existing Articles of Association in its entirety by substituting in place thereof the Articles of Association attached hereto as **Annexure A**, such that the said Articles of Association will comply with all laws and regulations in force, including but not limited to the Companies Act, No. 7 of 2007 and the revised Corporate Governance Rules issued by the Colombo Stock Exchange.

Accordingly, at the Annual General Meeting of the Company (the “AGM”) as per the AGM notice, the shareholders of the Company will be requested to consider and if thought fit approve and adopt the new Articles of Association attached hereto as Annexure A by way of a special resolution.

3. Appointment of a new director

Further to the Amendment, the Company considered it necessary and prudent to appoint a person of who is a member of a recognized professional accounting body as an independent director to the board of directors of the Company.

In this context, the board of directors recommends that Mr. Getawa Kandage Sudath Kumar be appointed as a director of the Company with effect from 04th September 2024. Mr. Sudath Kumar is a Partner at Messrs. Nanayakkara & Company, Chartered Accountants, and has more than 25 years of experience in handling audits of small and large scale companies.

Accordingly, at the AGM as per the AGM notice, the shareholders of the Company will be requested to consider and if thought fit approve the appointment of Mr. Sudath Kumar as a director of the Company by way of an ordinary resolution.

If you have any queries on this matter, please contact Mr. C. T. Gajanayake on 041 2224702 Fax No. 041 2222003 or e-mail ctgajanayake@harischandramills.com

We also enclose herewith the notice of meeting, form of proxy and the request form for the annual general meeting scheduled to be held on 04th September 2024 at 11.00 a.m.

Yours faithfully,

By order of the Board

CORPORATE SERVICES (PRIVATE) LIMITED

Secretaries

HARISCHANDRA MILLS PLC

Colombo, on this 14th day of August 2024