

March 1, 2024

NEWS RELEASE

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Delisting of Expolanka Holdings PLC

SG Holdings Co., Ltd. (the “Company”) hereby announces that at a meeting held today, its Board of Directors passed a resolution approving the initiation of procedures to delist Colombo Stock Exchange-listed Sri Lankan logistics company Expolanka Holdings PLC (“Expolanka”; headquartered in Colombo, Sri Lanka), 82.4% of the common shares of which (“the Shares”) are held by SG Holdings Global Pte. Ltd. (“SGG”), a subsidiary of the Company.

A meeting of the Board of Directors of Expolanka was also held today, at which it was resolved that delisting procedures would be initiated, disclosure of which was made to Colombo Stock Exchange today. As a result of this disclosure, trading in the Shares on the Colombo Stock Exchange will be suspended.

1. Objectives and significance of delisting

Expolanka is a company that plays a central role in SG Holdings Group (the “Group”)’s global business, and it has achieved continuous growth in the business since it became part of the Group in 2014. On the other hand, there has recently been a clear trend towards a worldwide reorganization of the logistics industry, which has been visible in such developments as M&A and capital alliances, and centered on major global competitors. Following the delisting, Expolanka will execute elements of medium- to long-term strategy aimed at contributing to enhancements in the Company’s corporate value, such as building an optimal corporate governance strategy within the Company’s global business, and strengthening coordination within the Group.

2. Overview of subsidiary (SGG)

(1)	Name	SG Holdings Global Pte. Ltd.
(2)	Location	15 Pioneer Walk #02-01 Pioneer Hub, Singapore 627753
(3)	Name and position of Representative	Ha Yo, Managing Director
(4)	Nature of the business	Logistics
(5)	Capital	USD 301 million (as of February 29, 2024)
(6)	Date established	June 2012
(7)	Main shareholder and percentage of shares held	SG Holdings Co., Ltd. (100%)

3. Overview of subsidiary's subsidiary to be delisted (Expolanka)

(1)	Name	Expolanka Holdings PLC	
(2)	Location	Colombo, Sri Lanka	
(3)	Name and position of Representative	Hanif Yusoof, Executive Director and Group CEO	
(4)	Nature of the business	Freight logistics, travel and tourism, trade and manufacturing, investment	
(5)	Capital	LKR 4,097 million	
(6)	Date established	2003	
(7)	Main shareholders and percentage of shares held	SG Holdings Global Pte. Ltd. (82.4%) Mr. Hanif Yusoof (7.5%) Phantom Investments (Pvt) Ltd. (0.7%) Mr. Farook Kassim (0.6%) Sri Lanka Insurance Corporation Ltd-Life Fund (0.3%) Mr. Pinnaduwa Aravinda de Silva (0.2%) Sri Lanka Insurance Corporation – General Fund (0.2%) Mr. Subramaniam Vasudevan (0.2%) *Percentage of shares held is rounded off to 1 decimal places	
(8)	Number of shares issued and outstanding	Ordinary shares: 1,954,915,000 shares (*1)	
(9)	Employees	Consolidated: 3,724 (*1)	
(10)	Consolidated net sales	LKR 546 million (JPY 207,426 million) (*1)	
(11)	Relationship between the Company and Expolanka	Capital relationship	Subsidiary of a subsidiary of the Company
		Personnel relationship	Some employees of the Company serve concurrently as officers of Expolanka, or have been seconded

		to Expolanka	
	Business relationship	The Company has loaned funds to Expolanka	
(12)	Consolidated financial position and consolidated operating results for Expolanka of the most recent three years		
	Fiscal year-end	FY2021/3	FY2022/3
	Total equity	LKR 27,380 million JPY 15,139 million	LKR 124,353 million JPY 51,118 million
	Total assets	LKR 68,184 million JPY 37,058 million	LKR 296,354 million JPY 121,635 million
	Total equity per share	LKR 13.89 JPY 7.67	LKR 63.39 JPY 26.05
	Net sales	LKR 218,735 million JPY 123,113 million	LKR 694,157 million JPY 378,019 million
	Operating income	LKR 16,830 million JPY 9,357 million	LKR 86,653 million JPY 43,879 million
	Ordinary income	(*2)	(*2)
	Net income attributable to owners of the parent	LKR 14,830 million JPY 8,375 million	LKR 72,742 million JPY 39,458 million
	Basic net income per share	LKR 7.61 JPY 4.28	LKR 37.24 JPY 20.18
	Dividend per share	LKR 0.50 JPY 0.28	LKR 1.17 JPY 0.65
(13)	Market capitalization	LKR 288,838 million (*3)	

(*1) Information presented relates to actual figures for FY2023/3.

(*2) Expolanka does not disclose ordinary income, so it has been omitted here.

(*3) Information is as of February 29, 2024(Colombo Stock Exchange Web site).

4. Overview of delisting procedure

The delisting of the Shares will be executed in accordance with the Securities and Exchange Commission of Sri Lanka Rules.

(1) A Circular (notification) is sent to shareholders

Expolanka sends to its shareholders a notice of convocation of the extraordinary general meeting of shareholders, proxy forms, and a Circular (notification) that includes such details as the resolution by the Expolanka Board of Directors to the effect that the stock will be delisted, the background and reasons for reaching this decision, the purchase price for the shares, and details of the extraordinary general meeting of shareholders.

(2) Holding of the extraordinary general meeting of shareholders

Resolutions pertaining to the delisting and to the purchase price for the shares held by shareholders wishing to sell their holdings as a result of the delisting.

(3) Approval of the Securities and Exchange Commission of Sri Lanka

After the resolutions by the extraordinary general meeting of shareholders, approval for delisting is given by the Securities and Exchange Commission of Sri Lanka.

(4) Purchase of shares

Purchases of shares from shareholders wishing to sell their holdings are executed.

5. Schedule

(1)	Board of Directors resolution	March 1, 2024
(2)	Sending of Circular (notification) of the extraordinary general meeting of shareholders	March 4, 2024 (planned)
(3)	Holding of the extraordinary general meeting of shareholders	March 27, 2024 (planned)

6. Future outlook

The impact of this event on the consolidated performance of the Company is expected to be negligible.

Reference information: websites of companies involved

Expolanka Holdings PLC: <https://www.expolanka.com/>

Colombo Stock Exchange: <https://cse.lk/>

SG Holdings Global Pte. Ltd.: <http://www.sgh-global.com/en.html>