FJ & G de Saram
Attorneys-at-Law
Commenced 1841

10th July 2026

Securities and Exchange Commission of Sri Lanka,
Level 28 & 29, East Tower,
World Trade Centre,
Echelon Square,
Colombo 01.

Colombo Stock Exchange,
#04-01, West Block,
World Trade Centre,
Echelon Square,
Colombo 01.

Dear Sirs,

RE: MARKET ANNOUNCEMENT - PROPOSED VOLUNTARY OFFER TO ACQUIRE SHARES IN INDUSTRIAL ASPHALTS (CEYLON) PLC

We write for and on behalf of our clients Arcasia Investment & Trading (Pvt) Ltd ("ARCASIA") and ATX Partners (Pvt) Ltd ("ATX") to inform you that ARCASIA and ATX have entered into a binding share sale and purchase agreement on 7th July 2026 to acquire one billion eight hundred million six hundred and ninety three thousand ten (1,800,693,010) amounting to approximately 48.03% of the total issued ordinary shares in Industrial Asphalts (Ceylon) PLC (the "Company"), held by Mr. Ramanan Govindasamy, director of the Company, at a price of Sri Lanka Cents Forty (LKR 0.40) per share.

In addition, ARCASIA and ATX have also entered into another binding agreement on 7th July 2026 to acquire eighty million (80,000,000) shares in the Company, amounting to approximately 2.13% of the total issued ordinary shares in the Company held by Mr. Srikumar Balasubramaniyam at the same price of Sri Lanka Cents Forty (LKR 0.40) per share.

Accordingly, ARCASIA and ATX have agreed to acquire an aggregate of one billion eight hundred and eighty million six hundred and ninety three thousand ten (1,880,693,010) shares in the Company from the aforenamed sellers amounting to approximately 50.16% of the total issued ordinary shares in the Company by way of a voluntary offer.

Pursuant to the aforesaid agreements, ARCASIA and ATX intend to make a voluntary offer to acquire the ordinary shares in the Company from all shareholders including Mr. Ramanan Govindasamy and Mr. Srikumar Balasubramaniyam, at a price of Sri Lanka Cents Forty (LKR 0.40) per share in terms of the Company Take-overs and Mergers Code 1995 (as amended in 2003) (the "Code") and subject to the necessary approvals from the Securities and Exchange Commission of Sri Lanka ("SEC"). The detailed announcement pertaining to the voluntary offer will be made in due course.

Yours faithfully,

FJ & G de Saram

F. J. & G. de Saram
(BB/PA/NMP)

216, de Saram Place, Colombo 10, Sri Lanka.
Tel : (+94 11) 4605100 / 4718200 / 2677864 Fax : (+94 11) 4718220 /2677863 Email : fjgdesaram@fjgdesaram.com
Website: www.fjgdesaram.com