LANKA REALTY INVESTMENTS

Lanka Realty Investments PLC (Registration No: PQ 139)
1st Floor, HQ Colombo, 464 A, T.B. Jayah Mawatha, Colombo 10, Sri Lanka.
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ANNOUNCEMENT UNDER THE COMPANY TAKE-OVERS AND MERGERS CODE 1995 (AS AMENDED IN 2003) AND GAZETTED IN THE GAZETTE EXTRAORDINARY NO. 875/9 DATED 16TH JUNE 1995 AND AMENDED BY GAZETTE NO. 1299/6 DATED 29TH JULY 2003

MANDATORY OFFER BY LANKA REALTY INVESTMENTS PLC TO PURCHASE 7,396,451 CONSTITUTING 28.9% ORDINARY VOTING SHARES OF LEE HEDGES PLC

1. BACKGROUND TO THE OFFER

Consequent to **LANKA REALTY INVESTMENTS PLC** a company duly registered under the Companies Act No. 7 of 2007 bearing Company Registration No. PQ139 having its Registered Office at 1st Floor HQ Colombo 464A T B Jayah Mawatha, Colombo 10 (hereinafter referred to as the **Offeror**), acquiring on 8th January 2026 13,057,595 Ordinary Voting Shares (**Shares**) in **LEE HEDGES PLC** (hereinafter referred to as the **Offeree**), constituting 51% of the total number of shares in issue of the Offeree at a price of Rs. 216.00 per share, triggered the threshold limits placed by the Company Takeovers and Mergers Code 1995 (as amended) (Code), published under the Rules made by the Securities and Exchange Commission of Sri Lanka under Section 53 of the Securities and Exchange Commission of Sri Lanka (SEC), Act No. 36 of 1987 as amended, now referred to under Section No. 183 of the SEC Act No 19 of 2021.

On the 8th day of January 2026, Eighth Wonder, a company duly registered and validly existing under the laws of the Republic of Mauritius bearing Company Registration No. 140620 CI/GBL having its Registered Office at C/o Hawksford (Mauritius) Limited C2-401, 4th Floor, Grand Baie La Croisette, Grand Baie, Republic of Mauritius, being a party in concert with Lanka Realty Investments PLC, by virtue of it being the single largest shareholder holding 29.17% shares of Lanka Realty Investments PLC and the 49% owned shareholder of the subsidiary company of the Offeror, namely, Lanka Realty Development (Pvt) Ltd.; acquiring 5,148,684 shares of the Offeree constituting 20.1% shares at the price of Rs. 216.00 per share, the total holdings of the Offeror and the party acting in concert with the Offeror is 18,206,279 shares constituting 71.11% of the total shares in issue of the Offeree.

Rule 31(1)(a) of the Code referred to above, states as follows :

"(1) Where any person –

a) acquires, whether by a series of transactions over a period of time or otherwise, shares which taken together with shares held or acquired by persons acting in concert with such person, carry Thirty per centum or more of the voting rights of a Company; or

b) ....

Such person shall extend, within thirty-five days, an offer in accordance with this Rule to the holders of any class of equity shares that carry voting rights and in which such person or persons acting in concert with him hold shares."

Accordingly, the Offeror is obligated to purchase the balance of 7,396,451 Ordinary Voting shares, which constitute approximately 28.9% of the Offeree's shares held by the remaining holders of Ordinary Voting Shares, at a price of Rs. 216.00 per share.

Rs. 216.00 is the highest price paid by the Offeror and the Party acting in concert with the Offeror for a Share of the Offeree during the period of one year immediately before 8th January 2026.

2. TERMS OF THE OFFER

The Offeror offers to purchase from the shareholders of the Offeree the remaining 7,396,451 Shares at a price of Rs. 216.00 per share, being the price at which the Offeror and the party acting in concert with the Offeror, acquired the shares of the Offeree on 8th January 2026, which is the highest price paid by the Offeror and the party acting in concert with the Offeror during the period from 7th January 2025 to 8th January 2026, for a Share of the Offeree.

3. THE IDENTITY OF THE OFFEROR

The Offeror is duly registered under the Companies Act No. 7 of 2007, bearing company Registration No. PQ139 and its Ordinary Voting Shares are Listed on the Colombo Stock Exchange.

The Registered Office of the Offeror is at 1st Floor HQ Colombo, 464A T B Jayah Mawatha, Colombo 10.

The Directors of the Offeror are –

Mr. Sarravanan Neelakandan
Mr. Piers Morgan
Mr. Mohamed Hisham Jamaldeen
Mr. Mohamed Firdouse Farook
Mr. Brian Vinod Selvanayagam
Mr. Archie James Buckland Warman

The Stated Capital of the Offeror is Rs. 7,048,663,000 represented by 211,370,428 Ordinary Voting Shares.

Lanka Realty Investments PLC, the Group's holding Company, manages a portfolio of holdings consisting of a range of diverse business operations, which together constitute the Lanka Realty Investments Group.

Lanka Realty Investments PLC holds 51% of the issued share capital of Lanka Realty Developments (Pvt) Ltd which is engaged in the business of commercial property development.

Lanka Realty Investments PLC holds 100% of the issued share capital of L & A Quarries (Pvt) Ltd which ~~is~~ was in the business of operating crusher plants.

Lanka Realty Investments PLC holds 80% of the issued share capital of Amtrad Ltd. which operates in the manufacturing & selling of cement/concrete building blocks and paving stones.

Lanka Realty Investments PLC holds100% of the issued shares of Lanka Realty Leisure (Pvt) Ltd, and Lanka Realty Ambalangoda (Pvt) Ltd which are in the business of leisure. These companies hold leasehold rights of two properties in Yala and Ambalangoda respectively which are to be developed as hotel properties

Lanka Realty Investments PLC owns 100% of the issued shares of the following companies:

- Baseline Holdings (Pvt) Ltd –

  The land owned by this company was sold on 18th July 2025 to Prime Lands Residencies PLC at a consideration of Rs. 1,100,000,000/- out of which Rs. 500,000,000/- was paid in cash at the execution of the Deed of Transfer and the balance consideration is t be set off against two - three bedroom apartments units with a combined total saleable area of 19,950 sq. Ft., located on the upper floors of the tower within the development to be constructed on the said property in respect of which Sale & Purchase Agreements were executed by the parties.

- 285 Darley Road (Pvt) Ltd – Holds a bare land through Oak Street (Pvt) Ltd (100% owned subsidiary of 285 Darley Road (Pvt) Ltd).

- Thudella Holdings (Pvt) Ltd – Holds a bare land through Crown Resorts (Pvt) Ltd (100% owned subsidiary of Thudella Holdings (Pvt) Ltd)

- Almond Trees (Pvt) Ltd - Engaged in the operation of a hotel, a restaurant and a bar and the company holds an investment in a fully owned subsidiary Ilook Villa (Pvt) Ltd which engages in the operation of a hotel, a restaurant and a bar.

- Mulberry Holdings (Pvt) Ltd which is a developer of residential apartments.

On 3rd December 2020, Lanka Realty Investments PLC acquired 50.89% of the issued share capital of the On'ally Holdings PLC which is in the business of property development / real estate, owning Unity Plaza IT Hub. [After such acquisition, the UDA (the 2nd largest shareholder) instituted action in High Court of the Western Province Case No. HC/Civil/11/2021/CO against the former shareholders of On'ally Holdings PLC and the Offeror pertaining to alleged offences of oppression and mismanagement and the court held in favour of the UDA on 15th February 2024 and restricted the voting rights of the Offeror to 43.82% until such time the inquiry against the former shareholders are concluded and also until the public shareholding in Onally Holdings PLC is compliant with the continuing Listing Rules of the CSE, although the Share ownership of the Offeror is still 50.89%. The Offeror has filed a Petition of Appeal to the Supreme Court against the said order].

4. EXISTING SHAREHOLDING IN THE OFFEREE COMPANY

(aa) The number of Offeree shares the Offeror owns or over which the Offeror has control	13,057,595 (51%)
(bb) The number of Offeree shares owned or controlled by persons acting in concert with the Offeror	5,148,684 (20.1%)
(cc) The number of Offeree shares in respect of which the Offeror has received an undertaking by any shareholder to accept the Offer	None

5. CONDITIONS OF THE OFFER

As stated above, the shareholding of the Offeror ***and the parties acting in concert with the Offeror*** is ***18,206,279*** constituting a total holding of **71.1%** shares of the Offeree.

In terms of Rule 31(2) of the Code, offers made under Rule 31 **shall be conditional** only upon the Offeror having received acceptances in respect of shares which, together with shares acquired or agreed to be acquired before or during the offer will result in the Offeror and persons acting in concert with the Offeror holding shares carrying more than fifty per centum (50%) of the voting rights.

Since the Offeror holds 51% of the shares of the Offeree and the Offeror, together with parties acting in concert with the Offeror, holds 71.1% shares of the Offeree, this **offer is unconditional as to acceptance from the outset.**

"Unconditional as to acceptance" shall mean; *"The Offeror must accept and pay for all shares tendered at the offer price while the shareholders of the Offeree lose their right to withdraw the shares."*

It must be noted that **"acceptance"** by a shareholder shall mean acceptance in accordance with the procedure set out in the Offer Document referred to in item 6, which has been complied with.

6. FURTHER DETAILS OF THE OFFER

A detailed Mandatory Offer Document, providing other relevant information, including the period during which the offer will be kept open in accordance with the aforementioned Company Take-Overs and Mergers Code, will be forwarded to all shareholders of the Offeree within thirty-five (35) days from the date of incurring the obligation to make the Mandatory Offer.

A shareholder who does not receive a copy of the Mandatory Offer Document due to a postal delay or any other reason is advised to collect a copy of the Mandatory Offer Document from the Registrars to the Offer, Corporate Solutions Unit, Central Depository Systems (Pvt) Limited, Ground Floor, M & M Centre, No. 341/5, Kotte Road, Rajagiriya, Sri Lanka. Contact Telephone No.0094-112356444.

The Directors of the Offeror doth hereby declare and confirm that this Announcement has been seen and approved by them and that they collectively and individually accept full responsibility for the accuracy and completeness of the information given in this Announcement and confirm to the best of their knowledge that there are no other facts, the omission of which would make any statements herein misleading.

By Order of the Board
LANKA REALTY INVESTMENTS PLC

Director ***Director***

On this 13th day of January 2025