JACEY & COMPANY
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Directors:

MS. A I WANIGASEKARA
MS. J KUMARAGURU
MS. A M FERNANDO
MS. A K GUNAWARDHANA

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Our ref : AF/DG/ED/NT -
Your ref:

22nd June, 2026

Ms. Nilupa Perera
Chief Regulatory Officer
Colombo Stock Exchange
#04 - 01 West Block
World Trade Centre
Echelon Square
Colombo 1

Dear Madam,

LEE HEDGES PLC (THE COMPANY) - PERTAINING TO THE PROPOSED PURCHASE OF SHARES IN LANKA REALTY DEVELOPMENTS (PVT) LTD

We write further to the Corporate Disclosure made on 20th March, 2026, pertaining to the following transactions, in pursuance of which the Company will be the sole shareholder owning 100% of Lanka Realty Developments (Pvt) Ltd:

a. purchase of 57,204,262 Ordinary Shares by the Company held by Lanka Realty Investments PLC (LRI) in Lanka Developments (Pvt) Ltd (LRD) (amounting to 51% of the issued shares of LRD) at a total consideration of Rupees One Billion Six Hundred Ten Million Three Hundred Thirty Four Thousand One Hundred and Eighty (Rs. 1,610,334,180/-) only. The Company is a subsidiary of LRI

b. purchase of the remaining 49% shares of LRD held by Eighth Wonder at a consideration of Rupees One Billion Five Hundred Forty Seven Million One Hundred Eighty Three Thousand Eight Hundred and Twenty (Rs.1,547,183,820/-) only

the aforesaid transaction was approved by the shareholders of the Company by way of a special resolution passed on 28th April, 2026, in terms of Rule 9.14.6 (1)(A) of the Listing Rules of the Colombo Stock Exchange.

The Board of Directors of the Company at a Board Meeting held on 19th June, 2026, approved the following new payment terms by way of which the said consideration of Rupees Three Billion One Hundred Fifty Seven Million Five Hundred and Eighteen Thousand (Rs. 3,157,518,000/-) payable to LRI and Eighth Wonder in respect of the said 112,165,219 ordinary shares, will be settled:

- an initial payment of Rupees One Billion and Hundred Million (Rs.1,100,000,000/-), payable at or prior to the execution of the Share Transfer and;

- the balance sum of Rupees Two Billion Fifty Seven Million Five Hundred and Eighteen Thousand (Rs. 2,057,518,000/-) being payable within six months from the initial payment, together with interest at the rate of average weighted price lending rate plus 1.5% per annum (AWPLT+1.5% per annum) until payment in full,

subject to the entering into a Sale and Puchase Agreement by and between the Company, LRI and Eighth Wonder, in order to record the said terms and conditions.

The Company has been informed that the Board of LRI at a Board Meeting held on 18th June 2026, granted its approval for the said variation.

The parties entered into the aforesaid Sale and Purchase Agreement on 19th June 2026 and upon such execution and on receipt of the initial payment of Rs.1,100,000,000/-, LRI and Eighth Wonder transferred 57,204,262 ordinary shares and 54,960,957 ordinary shares held by LRI and Eighth Wonder in LRD to Lee Hedges PLC on 19th June 2026.

The Related Party Transactions Review Committee of the Company has reviewed and recommended the said variation of the payment terms.

Yours faithfully,

For and on behalf of Jacey & Company
Secretaries & Registrars to Lee Hedges PLC