



13th September 2022

Mr. Renuke Wijayawardhane
Chief Regulatory Officer
The Colombo Stock Exchange
4th Floor, World Trade Centre
Echelon Square
Colombo-01,

Dear Sir,

CORPORATE DISCLOSURE

In terms of Section 8 of the Listing Rules of the Colombo Stock Exchange the Company, Browns Investments PLC (BI) wishes to disclose the following:

The Company, together with China Machinery & Engineering Cooperation (CMEC), a company registered in Republic of China as our consortium partner, submitted an unsolicited proposal on 12th August 2022 in line with the decision of the Cabinet of Ministers to call for solicited, unsolicited and Government to Government proposals for the procurement of 4.5 Mn MT of Coal for Norochcholai Lakvijaya Coal Power Plant (LVPP) and award the same for the most favourable proposal.

Having formally learnt of the failure to submit the performance bond on the part of the selected bidder, and consequential annulment of award made and forfeiture of bid Bond submitted, BI re-iterated, by way of a written communique dated 08-09-2022 addressed to the Minister of Power and Energy, that the consortium is able to ensure uninterrupted supply of coal as indicated in its letter dated 8th September 2022 in order to ensure the continuous supply of coal to the country .

In the aforesaid unsolicited proposal , which was submitted on 12th August 2022, the consortium offered terms to the Lanka Coal Company such as willingness to accept 50% of the contractual price in Rupees coupled with the option of paying that 50% within a period of 5 years, in addition to being low in price of coal per Metric Ton , compared to failed selected awardee. By its letter dated 08-09-2022, BI reiterated its commitment to adhere to the same terms (offered in its unsolicited proposal dated 12-08-2022) even after the failure on the part of the selected awardee.

In the above circumstances, considering the terms offered in its proposal, the Company reasonably expects to enter into negotiations with the relevant authorities in order to secure the supply of the required volume of coal.

BI would be making further disclosures depending on the progress made on this matter.

Yours faithfully,

LOLC Corporate Services (Pvt) Ltd
Secretaries for Browns Investments PLC

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Browns Investments PLC

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