LANKEM

LANKEM CEYLON PLC 98, SRI SANGARAJA MAWATHA,
P.O. BOX 919, COLOMBO 10, SRI LANKA.

Telephone : 011 - 5566000, 011 - 7766000 Fax : 011 - 2334473
Company No. PQ 128

18th June 2025.

Our Ref: SEC/LC/84

Mr. R. Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
Level 4, West Tower
World Trade Centre
Echelon Square
COLOMBO 1.

Dear Sir,

RIGHTS ISSUE OF SHARES & SUBDIVISION OF SHARES

We write to advise that the Board of Directors of Lankem Ceylon PLC at a Meeting held today 18th June 2025, have resolved on the following:

1. RIGHTS ISSUE OF SHARES

To issue Seventeen Million One Hundred and Fifty Six Thousand Nine Hundred and Nineteen (17,156,919) Ordinary Shares at a price of Rs.70/- per share by way of a Rights Issue in the proportion of One (01) new Ordinary Share for every Three (3) existing issued Ordinary Shares .

Further the Board of Directors have resolved that, in their opinion, the consideration for which the shares are to be issued is fair and reasonable to the entity and all existing shareholders.

The proceeds from the Rights Issue will be utilized for the following purposes:

- For the settlement of a Related Party due
- For part settlement of Bank Loans.

The Stated Capital of the Company is Rs.1,282,697,140/-

Further, the Rights Issue is subject to the Exchange approving, in principle, the issue and listing of shares and obtaining Shareholder approval at an Extraordinary General Meeting of the Company.

2. SUBDIVISION OF SHARES

That the shares of the Company, following the completion of the proposed Rights Issue and on the basis the Rights Issue being fully subscribed, which shall be then 68,627,676 ordinary shares, be subdivided (split) as expressly provided for in Article 12(1)(b) of the Articles of Association of the Company, on the basis of every One (1) Existing issued Ordinary Share being Subdivided into Two (2) issued Ordinary Shares, thereby increasing the number of shares of the Company to 137,255,352 shares."

The subdivision shall not result in a change in the proposed Stated Capital of the Company (Post Rights Issue).

Article 12(1)(b) of the Articles of Association of the Company permits the subdivision of shares (Extract from Articles of Association attached).

The increase of shares by way of a subdivision is subject to obtaining Shareholder approval at an Extraordinary General Meeting.

Dates to be notified.

Yours faithfully,
By Order of the Board
LANKEM CEYLON PLC
CORPORATE MANAGERS & SECRETARIES (PVT.) LTD.

Secretaries.