



Eastern Merchants PLC

(ESTABLISHED IN 1945)

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Reg. No. PQ

EXPORTERS - IMPORTERS

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10th December 2021

Mr. Renuke Wijayawardhane,
The Chief Operating Officer
Colombo Stock Exchange
#04-01 West Block
World Trade Centre
Colombo 01

Dear Sir,

SALE OF WAREHOUSING COMPLEX

In compliance with the disclosure requirements of Sections 8.1 & 8.2 of the CSE listing rules, the Board of Directors of Eastern Merchants PLC resolved on the 10th of December 2021, to sell the Company's Warehousing complex located No. 101 Gonawala Road, Sapugaskanda and No. 20 Udaya Mawatha, Sapugaskanda (636.1 perches in extent), to Brown Engineering and Construction Pvt. Ltd. ("the Buyer"), for a consideration of Sri Lankan Rupees Six Hundred and Forty Five Million (LKR 645,000,000).

The Board of Directors further decided to enter into a Sales Purchase Agreement ("SPA") with the Buyer, with following conditions and it is signed today.

1. The Buyer to pay the Company Sri Lankan Rupees Fifty Million (LKR 50,000,000) as an advance payment, at the date of signing of the SPA.
2. Conclude the deed of transfer on or before 28th February 2022, on payment of the balance of Sri Lankan Rupees Five Hundred and Ninety Five Million (LKR 595,000,000).

Since the value of the property is less than one half of the total value of the assets of the Company, this sale does not constitute a Major Transaction in terms of Section 185(2)(b) of the Companies Act No. 7 of 2007.

Thanking you,
Yours faithfully,
By Order of the Board
For EASTERN MERCHANTS PLC

S. Jayakody (F.C.A., B.Com.Spl., FCMA)
Director / Company Secretary