



Corporate Services (Private) Limited

An affiliate of F. J. & G. de Saram

12th May 2021

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Colombo Stock Exchange
World Trade Centre
Echelon Square
Colombo 01

Attn. Mr. Renuka Wijayawardhane
Chief Regulatory Officer

Dear Sirs,

WATAWALA PLANTATIONS PLC - CORPORATE ANNOUNCEMENT

We write for and on behalf of Watawala Plantations PLC (the “Company”) further to our announcement dated 2nd February 2021, to inform you that the investment by the Company into its fully owned subsidiary, Watawala Dairy Ltd (“WDL”) of the sum of Sri Lanka Rupees Two Hundred and Ninety Six Million (LKR 296,000,000), which is referred to in the said announcement, will be effected through a capitalization of a sum of Sri Lanka Rupees Two Hundred and Ninety Six Million (LKR 296,000,000) due and payable by WDL to the Company and not through fresh cash infusion.

WDL will accordingly capitalize such sum of Sri Lanka Rupees Two Hundred and Ninety Six Million (LKR 296,000,000) by the issue to the Company of Twenty Five Million Six Hundred and Twenty Five Thousand Six Hundred and Ninety (25,625,690) fully paid ordinary shares or such other number of fully paid ordinary shares that may be subscribed for at a price per share of the Sri Lanka Rupees equivalent of United States Dollars Zero decimal Zero Five Seven Seven Five (USD 0.05775) converted at the prevailing exchange rate as at the date of issuance (“Subscription Price”).

Simultaneously with the issuance of shares in WDL to the Company, WDL will also issue shares to SBI Ven Holdings Pte. Ltd who has agreed to make an investment of United States Dollars Two Million (USD 2,000,000) in WDL. The number of shares to be issued by WDL to SBI Ven Holdings Pte. Ltd will be Thirty Four Million Six Hundred and Twenty Nine Thousand Three Hundred and Eleven (34,629,311) ordinary shares and such shares will be issued at the same consideration per share at which shares will be issued to the Company. The said investment by SBI Ven Holdings Pte. Ltd is however subject to the completion of certain conditions of disbursement stipulated by such investor.

CORPORATE SERVICES (PRIVATE) LIMITED

This announcement is made as per Section 8.1 appendix 8A of the Listing Rules of the Colombo Stock Exchange.

Yours faithfully,



Chief Executive Officer

CORPORATE SERVICES (PRIVATE) LIMITED

Secretaries & Registrars

WATAWALA PLANTATIONS PLC