



P W Corporate Secretarial (Pvt) Ltd
(Company Registration No. PV 65966)

April 2, 2025

Mr Renuke Wijeyawardhane
Chef Regulatory Officer
Colombo Stock Exchange
#04-01, West Tower
World Trade Centre
Colombo 01

Dear Sir

Vallibel Power Erathna PLC – Related Party Transaction

Further to the Special Resolution passed by the Shareholders of Vallibel Power Erathna PLC at the Extraordinary General Meeting held on 31st December 2024 authorizing the award of Engineering, Procurement and Construction (EPC) Contract for the development of a 10 MW_{AC} Ground Mounted Solar PV Project at Dolahena Estate to Hayleys Fentons Ltd at a total EPC price of Rs.1, 667,919,441/07, Vallibel Power Erathna PLC (the Company) hereby announces the following Related Party Transaction in terms of Rule 9.14.7 of the Listing Rules of the Colombo Stock Exchange.

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|-------|---|---|
| (i) | Date of the Transaction | 27 th March 2025 |
| (ii) | Name of the Related Party | Hayleys Fentons Ltd [acting through its subsidiary Nex-Gen Engineering (Pte) Ltd, a company duly incorporated under the laws of Singapore bearing Registration No.UEN 202216136K and having its registered office at No.12, Marina View, #12-05, Asia Square Tower 2, Singapore] |
| (iii) | Relationship between the Entity and the Related Party | <p>Mr Dhammika Perera owns 51.01% of Hayleys PLC. Hayleys Fentons Ltd is a fully owned subsidiary of Hayleys PLC and Nex-Gen Engineering (Pte) Ltd is a subsidiary of Hayleys Fentons Ltd.</p> <p>Mr Dhammika Perera holds 19.38% of the Company whilst Vallibel Power Ltd (an entity in which Mr Dhammika Perera owns 99.99%) owns 40.8% of the issued shares of the Company. Consequently, Mr Dhammika Perera has control of the Company.</p> <p>Accordingly, as per the definition of 'Related Parties' as contained in LKAS 24 read together with the Listing Rules, Hayleys Fentons Ltd and Nex-Gen Engineering (Pte) Ltd are entities related to the Company.</p> |

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- (iv) Details of the Transaction Opening of a Letter of Credit in favour of Nex-Gen Engineering Pte Ltd for a sum of Rs.1,429,409,864/- representing 90% of the negotiated value of the EPC Contract, where the payment obligation will arise in the future.
- (v) Rationale for entering into the transaction As explained in the Circular to Shareholders dated 5th December 2024, Hayleys Fentons Ltd was selected as the EPC Contractor pursuant to an evaluation process after calling for Bids and considering the proven capabilities, industry expertise in Solar installations of more than 25 MW, strong market presence and brand image and based on the Proposals submitted by the three short listed Bidders of whom Hayleys Fentons Ltd submitted the lowest EPC price of Rs.1,667,919,441.07, subject however, to the requisite shareholders' approvals as required under the Companies Act on major transactions and the Listing Rules on related party transactions. The said shareholders' approvals were obtained on 31st December 2024.
- The said EPC price of Rs.1,667,919,441.07, was further negotiated to arrive at a reduced value of Rs. 1,588,233,182/-.
- (vi) The Related Party Transactions Review Committee of the Company is of the view that the above transaction is on normal terms, and is not prejudicial to the interests of the entity and its minority shareholders and the Related Party Transactions Review Committee has not obtained an opinion from an independent expert prior to forming its view on the transaction.
- (vii) (a) The aggregate value of Related Party Transactions (RPTs) of the Company during the financial year 2024/25 with Hayleys Fentons Ltd and/or its subsidiary, Nex-Gen Engineering (Pte) Ltd : Nil, since the payment obligation in respect of the RPT set out herein has not arisen as of 31st March 2025.
- (b) The aggregate value of all Non-Recurrent RPTs of the Company for the financial year 2024/25 : Nil, since the payment obligation in respect of the RPT set out herein has not arisen as of 31st March 2025.

Yours faithfully

**FOR AND ON BEHALF OF VALLIBEL POWER ERATHNA PLC
PW CORPORATE SECRETARIAL (PVT) LTD**



**Anusha Wijesekara
Director / Secretaries**

AW/tfp