

Mr. Renuke Wijayawardhane
Chief Operating Officer
Colombo Stock Exchange
#04-01 West Block, WTC
Colombo - 01

Dear Sir,

Convenience Foods (Lanka) PLC

Disclosures in terms of section 9 of the listing rules of the Colombo Stock Exchange

We wish to inform you that Convenience Foods (Lanka) PLC proposes to secure a short term loan of Rs.870 Mn from Ceylon Biscuits Limited which is a subsidiary of the parent entity. In terms of the section 9 of the listing rules of the Colombo Stock Exchange, this will result to make an immediate announcement in line with section 9.3.1 of the listing rules of the Colombo Stock Exchange.

Details of the transaction is as follows.

Sec 9.3.1.b	Requirement	Details
i	The date of the transaction or the period where applicable	24 th June 2022
ii	The name of the relevant related party	Ceylon Biscuits Limited
iii	The relationship between the entity and the related party	Subsidiary of the parent entity
iv	Details of the transaction including the amount, relevant terms of the transactions and the bases on which the terms were arrived at	Rs.870 Mn at AWPLR + 0.5%
v	Rationale for entering into the transaction	To purchase raw materials to make sure continuous supply as part of the working capital planning process
vi	View of Related Party Transaction Review Committee of the entity	Related Party Transaction Review Committee of the entity is of the view that the transaction is on normal commercial terms and is not prejudicial to the interests of

		the entity and its minority shareholders and the related party transaction review committee has obtained an opinion from an independent expert before forming its review on the same
vii	The aggregate value of the related party transactions for the financial year with the particular related party whose transaction is the subject of the announcement and the aggregate value of the all related party transactions for the same financial year	Please refer annexure I

Yours Faithfully,



E. T. De Zoysa

Managing Director

Convenience Foods (Lanka) PLC



Annexure 1

Name of the Company	Relationship	Nature of the Transaction	Transaction Value for this year 2022/2023		Total	Value of RPT as a % Equity	Value of RPT as a % Total assets	Terms and conditions of RPT	Rationale for entering into transaction	Nature of Business
			Recurrent	Non Recurrent						
Ceylon Biscuits Ltd (CBL)	Subsidiary of the parent entity	Sales	379,470		379,470					Sales-Soya/Snack/Cereal/Soup/Kottu/Inst.sales
		Purchase of raw materials	-		-					Purchases-Glucose Liquid/Extra Malt Liquid
		Service Received	1,263,865		1,263,865					SAP License fee/Warehouse Charges
		Short Term Loan		870,000,000	870,000,000			Short term working capital loan facility	Market interest rate loan, AWPLR+0.5%	Short Term Loan for Working capital requirement
			1,643,335	870,000,000	871,643,335	42%	28%			

Key Limits	Total Assets	Revenue	Equity
Value	3,123,559,446	4,858,647,421	2,076,424,740
Shareholder Approval (Subject to Section 9.1.1)			
Non Recurrent Transaction	33.33%		
Limit	1,041,186,482		
Applicable Value			
Recurrent Transactions	33.33%		
Limit	1,619,549,140		
Applicable Value			
Disclosure of Transactions			
Immediate Market Disclosure (Subject to Section 9.3.1)			
Non Recurrent Related Party Transactions	5%		10%
Limit (whichever is lower)	156,177,972.30		207,642,474.00
Disclosure in Annual Report (Subject to Section 9.3.2)			
Non Recurrent Related Party Transactions	5%		10%
Limit	156,177,972.30		207,642,474
Applicable Value			
Recurrent Related Party Transactions	10%		
Limit	485,864,742		
Applicable Value			
Shareholder Approval			
Acquisition and Disposal of Substantial Assets (Subject to Section 9.4)			
Limit	33.33%		
Applicable Value	1,041,186,482		
Recurrent Related Party Transactions (Subject to Section 9.5 Would However Exempt the Company)			
Limit			
Applicable Value			

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