

C T Holdings PLC

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27 October 2021

Mr. Renuke Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
04-01, West Block
World Trade Center
Echelon Square
Colombo 01

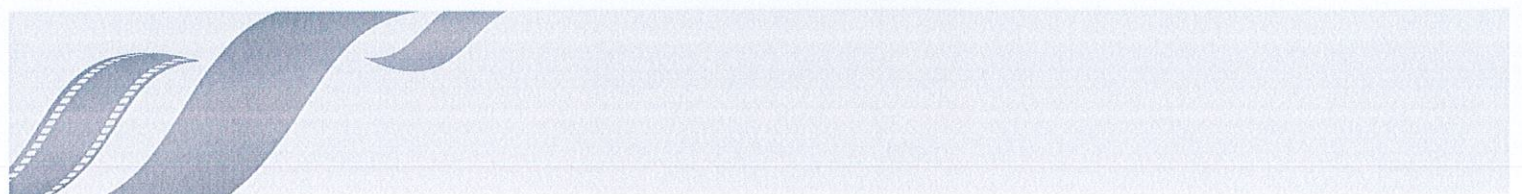
Dear Sir,

Announcement re: Group Real Estate Sector

The below announcement is made jointly by C T Holdings PLC (hereinafter referred to as CTH) and its subsidiary Cargills (Ceylon) PLC (hereinafter referred to as CCP), with regard to the Group Real Estate Sector.

Whereas,

- CCP and CTH have significant property holdings either directly or through subsidiary companies.
- CCP has developed some of its property holdings into Mini Malls with the Group's Food City supermarkets, KFC quick service restaurants and Regal cinemas as anchor tenants.
- Three (03) such Mini Malls have been developed by CCP to-date in Jaffna, Gampaha and Dematagoda and work is on-going at two other locations.
- CTH has commenced work towards the development of two of its cinema properties into Mini Malls on the same format as aforementioned.
- While the development projects were undertaken under different subsidiary companies, it is considered beneficial to structure such developments and the Group's existing real estate sector under a single property holding company, since such a structure would allow the real estate sector to achieve scale and attract equity capital, if needed, for future property development projects.



Accordingly, the Boards of Directors of CT Holdings PLC and Cargills (Ceylon) PLC have separately resolved on 25th October 2021 as follows:

1. All properties of the Group designated for development be transferred under a single subsidiary which will function as a property development arm of the Group (referred to below as “the Real Estate Subsidiary”).
2. Equity holdings in the Group’s current unlisted Real Estate / Property Development subsidiaries be transferred under the Real Estate Subsidiary.
3. CTH and CCP to participate in the equity of the Real Estate Subsidiary in proportion to the value of the properties / equity holdings transferred plus stamp duty and direct taxes borne by CTH and CCP.
4. CTH to invest an additional sum of Rs 550 million in the equity of the Real Estate Subsidiary.
5. All transfers to be effected as far as practicable at prevailing market values.

The above process would be completed during the third quarter of the financial year 2021/22.

If required further disclosures will be made.

Yours faithfully
CT HOLDINGS PLC


S. L. W. Dissanayake
Company Secretary