



E. B. CREASY & CO., PLC.

ESTABLISHED 1878

27th July 2021

Our Ref: SEC/EBC/772

Mr. R. Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
Level 4, West Tower
World Trade Centre
Echelon Square
COLOMBO 1.

Dear Sir,

RELATED PARTY TRANSACTION

In terms of Section 9 of the Listing Rules of the Colombo Stock Exchange we write to inform of the following Related Party Transaction between E.B. Creasy & Company PLC (EBCPLC) and its subsidiary Company, Darley Butler & Co. Ltd. (DBCL):

- | | |
|--|---|
| (i) Date of the transaction and applicable period | - Mortgage Bonds executed on
21 st May, 2021
to facilitate the granting of facilities at a
subsequent date .
(facilities disbursed on 20 th July 2021)
(2021/2022)
Corporate Guarantee to be executed
- 2021/2022 |
| (ii) Name of relevant Related Party | - Darley Butler & Co. Ltd. |
| (iii) Relationship between the Entity and the
Company | - Parent and Subsidiary |
| (iv) Details of the transaction | - Execution of Mortgage Bonds for Rs. 870 Mn.
and Rs. 25 Mn. on behalf of subsidiary
Company , Darley Butler & Co. Ltd.

Corporate Guarantee to be executed for
Rs. 770 Mn. on behalf of subsidiary Company ,
Darley Butler & Co. Ltd.
With the above, previously issued Corporate
Guarantees for an aggregate value of
Rs 460 Mn will be cancelled. |

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COMPANY NO. PQ 182

P.O.BOX 37, 98, SRI SANGARAJA MAWATHA, COLOMBO 10, SRI LANKA
FAX: 94 (1) 2448534, TELEPHONE: 94 (1) 2421311, 4766000.

(The maximum aggregate capital exposure of the above securities is only Rs. 895 Mn. at any given time.)

(v) Rationale for entering into the transaction

- Assisting a Subsidiary Company to restructure and enhance its banking facilities by offering Security in the form of Mortgage Bonds and a Corporate Guarantee

(vi) The Related Party Transactions 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 Transactions Review Committee has not obtained an opinion from an independent expert prior to forming its view on the transaction.

(vii) The aggregate value of the Related Party Transactions for the financial period 2021/2022 with Darley Butler & Co. Ltd.

- Rs 2,741Mn

(inclusive of the aforesaid transaction)

(viii) Aggregate value of all Related Party Transactions for the financial period 2021/2022 (inclusive of the aforesaid transaction)

- Rs 3,622Mn

Yours faithfully,
By Order of the Board
E.B. CREASY & COMPANY PLC
CORPORATE MANAGERS & SECRETARIES (PVT) LTD



Secretaries