

KOTAGALA PLANTATIONS PLC.

Company Reg. No. PQ 174

53 1/1, Sir Baron Jayatilaka Mawatha, Colombo 01, Sri Lanka.

8th January 2021

Our Ref: SEC/KPPLC/287

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 Kotagala Plantations PLC (KPPLC) and its related companies Lankem Ceylon PLC (LCPLC) and Consolidated Tea Plantations Ltd (CTPL):

- | | |
|---|--|
| (i) Date of the transaction and applicable period | - 28th December 2020
2020/2021 |
| (ii) Name of relevant Related Party | - Lankem Ceylon PLC (LCPLC) and
Consolidated Tea Plantations
Ltd(CTPL) |
| (iii) Relationship between the Entity and the Related Party | - LCPLC – Related
CTPL- Parent |
| (iv) Details of the transaction | - Assignment of debt due to LCPLC
amounting to Rs.272,631,082/- to
the Parent Company Consolidated
Tea Plantations Ltd. |
| (v) Rationale for entering into the transaction - | - Restructuring of debt of Kotagala
Plantations PLC |

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(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 – Rs. 300 Mn
the financial period 2020/2021 with LCPLC
(inclusive of the aforesaid transaction)

The aggregate value of the Related Party Transactions for – Rs. 564 Mn
the financial period 2020/2021 with CTPL
(inclusive of the aforesaid transaction)

(viii) Aggregate value of all Related Party Transactions – Rs.2,108 Mn
for the same financial period
(inclusive of the aforesaid transaction)

Yours faithfully,

By Order of the Board

KOTAGALA PLANTATIONS PLC

CORPORATE MANAGERS & SECRETARIES (PVT) LTD



Secretaries