



LANKEM CEYLON PLC 98, SRI SANGARAJA MAWATHA,
P.O. BOX 919, COLOMBO 10, SRI LANKA.

Telephone : 011 - 5566000, 011 - 7766000 Fax : 011 - 2334473
Company No. PQ 128

8th April 2021

Our Ref: SEC/LC/553

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

Dear Sir,

RELATED PARTY TRANSACTIONS

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 Lankem Ceylon PLC (LCPLC) and its wholly owned Subsidiary, JF Packaging Limited (JFPL):

- | | |
|---|---|
| (i) Date of the transaction and applicable period | - 31 st March 2021– 2020/2021 |
| (ii) Name of relevant Related Party | - JF Packaging Limited |
| (iii) Relationship between the Entity and the Related Party | - Parent and wholly owned subsidiary |
| (iv) Details of the transaction | - Transfer of 14.2% equity stake in SunAgro Foods Ltd held by Lankem Ceylon PLC (LCL) to JF Packaging Ltd, a wholly owned subsidiary of Lankem Ceylon PLC for a consideration of Rs.198Mn, such being settled by the issue of shares by JFP |
| (v) Rationale for entering into the transaction | - To facilitate the restructure of the balance sheets of Lankem Ceylon PLC and Its wholly owned subsidiaries JF Packaging Limited and SunAgro Foods Ltd. |

(vi) The Related Party Transactions Review Committee of the Entity is of the view that the transaction is an arm's length transaction between the Company and its wholly owned subsidiary 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 — Rs.408.51Mn
for the financial year 2020/2021 with JF Packaging Limited.
(Inclusive of the aforesaid transaction)

(viii) Aggregate value of all Related Party Transactions - Rs. 1403.27Mn
for the same financial year 2020/2021
(Inclusive of the aforesaid transaction)

Yours faithfully,

By Order of the Board

LANKEM CEYLON PLC

CORPORATE MANAGERS & SECRETARIES (PVT) LTD



Secretaries