



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

3rd April 2024

Our Ref: SEC/LC/ 006

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

Dear Sir,

DISCLOSURE IN TERMS OF SECTIONS 8 AND 9 OF THE CSE LISTING RULES

We write to inform of the following Related Party Transaction between Lankem Ceylon PLC (LCPLC) and its Associate Company Consolidated Tea Plantations Ltd (CTPL).

- | | |
|---|---|
| (i) Date of the transaction and applicable period | - 29 th March 2024– 2023/2024 |
| (ii) Name of relevant Related Party | - Consolidated Tea Plantations Ltd |
| (iii) Relationship between the Entity and the Related Party – Associate Company | |
| (iv) Details of the transaction | - Acceptance by Lankem Ceylon PLC (LCPLC) 5,024,472 ordinary shares in Consolidated Tea Plantations Limited(CTPL) against amounts due from CTPL and further direct investment in 6,018,518 ordinary shares of CTPL, at a price of Rs. 54/- per share. Total value of Investment Rs.596,321,460/-. |
| (v) Rationale for entering into the transaction | - Further investments in Associate Company, CTPL. |

(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 reviewed the business valuation of Consolidated Tea Plantations Ltd obtained from an independent expert prior to forming its view on the transaction.

(vii) The aggregate value of the Related Party Transactions – Rs. Rs. 631.89 Mn
for the financial year 2023/2024 with Consolidated Tea Plantations Ltd
(Inclusive of the aforesaid transaction)

(viii) Aggregate value of all Non Recurrent Related Party Transactions - Rs. Rs. 1,693.25 Mn
for the same financial year 2023/2024
(Inclusive of the aforesaid transaction)

Further we wish to inform that consequent to the Issue of Shares by Consolidated Tea Plantations Limited, to the Company and other related entities, and the Company having also transferred on 29.03.2024 a component of its shares in CTPL to a related company, the direct Equity holding of the Company in CTPL has reduced to 34.23% from 47.56%. However, Lankem Ceylon PLC together with Subsidiary company Ceylon Tapes (Pvt) Limited, holds 41.4% of the issued capital of the said CTPL.

Yours faithfully,
By Order of the Board
LANKEM CEYLON PLC
CORPORATE MANAGERS & SECRETARIES (PVT) LTD


Secretaries

ts/-