



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

30th July 2021

Our Ref: SEC/LC/ 789

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 Subsidiary SunAgro LifeScience Limited (SAL):

- | | |
|---|--|
| (i) Date of the transaction and applicable period | - 28 th July 2021
2021/2022 |
| (ii) Name of relevant Related Party | - SunAgro LifeScience Limited |
| (iii) Relationship between the Entity and the Related Party | - Parent and Subsidiary. |
| (iv) Details of the transactions | - Obtaining Corporate Guarantees of Rs.300Mn from Subsidiary SunAgro LifeScience Limited. |
| (v) Rationale for entering into the transactions | - In order to reschedule a banking facility at a lower interest rate and obtain a new Letter of Credit facility of Rs. 50Mn upon the granting of securities in the form of Corporate Guarantees. |

(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 – Rs 345.47Mn
for the financial year 2021/2022 with SunAgro LifeScience Limited
(Inclusive of the aforesaid transaction)

(viii) Aggregate value of **all** Related Party Transactions – Rs. 1,095.11Mn
for the same financial year 2021/2022
(Inclusive of the aforesaid transaction)

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



Secretaries