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LANKEM CEYLON PLC 212A 3/1, NAWALA ROAD,
P.O. BOX 919, RAJAGIRIYA, SRI LANKA.

Telephone : 011 - 5566000, 011 - 7766000 Fax : 011 - 2807117
Company No. PQ 128

9th December 2019

Our Ref: SEC/LC/873

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 Related Company E.B. Creasy & Company PLC (EBC):

- (i) Date of the transaction and applicable period - 2nd December 2019 –2019/2020
- (ii) Name of relevant Related Party - E.B. Creasy & Company PLC
- (iii) Relationship between the Entity and the Related Party – Related Company
- (iv) Details of the transaction - Securing of a Corporate Guarantees (CG) for a total value of Rs. 382Mn from E.B Creasy & Company PLC (EBC).
- (v) Rationale for entering into the transaction - To enable restructure and enhancement of banking facilities upon granting of additional security in the form of 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 - Rs. 715.5Mn
for the financial period 2019/2020 with, E.B. Creasy & Company PLC
(inclusive of the aforesaid transactions)
- (viii) Aggregate value of all Related Party Transactions - Rs. 2.316Billion
for the same financial period 2019/2020
(inclusive of the aforesaid transactions)

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



Secretaries

ts/-