



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

Telephone : 011 - 5566000, 011 - 7766000 Fax : 011 - 2807112
Company No. PQ 128

3rd January 2020

Our Ref: SEC/LC/ 905

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 | - 30 th December 2019 –2019/2020 |
| (ii) Name of relevant Related Party | - SunAgro LifeScience Limited |
| (iii) Relationship between the Entity and the Related Party – Parent Company and Subsidiary | |
| (iv) Details of the transaction | - The Company has invested in 426,000 Ordinary Shares of its Subsidiary SAL at a price of Rs. 500/- per share on 30 th December 2019 at a total consideration of Rs. 213,000,000/-. |
| (v) Rationale for entering into the transaction | - Further infusion of capital to strengthen the equity position of the Company's subsidiary, SunAgro LifeScience Limited. |
| (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 the financial period 2019/2020 with, SunAgro LifeScience Ltd (inclusive of the aforesaid transactions) - Rs. 1,016,978,784/-
- (viii) Aggregate value of all Related Party Transactions for the same financial period 2019/2020 (inclusive of the aforesaid transactions) - Rs. 2,573,581,784/-

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


Secretaries

sh/-