

Our Ref : SEC/LD/808

30th September 2022

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

Dear Sir,

CORPORATE DISCLOSURE

In terms of Section 8 of the Listing Rules we write to advise that the Company has as of today 30th September, 2022 divested its entire holding of 56.41% represented by 4,400,000 shares in its subsidiary Waverly Power (Private) Limited to Agarapatana Plantations Limited (APL), subsidiary company, for a consideration of Rs. 244,820,450/-.

The above transaction would facilitate the restructuring of the Company's Balance sheet in order to improve the net current liability position of the Company, reduce finance cost by the settlement of related party borrowings through proceeds received and also to facilitate the Company's subsidiary APL, to pursue the undermentioned strategy by investing in Waverly Power (Private) Ltd. (WPL):

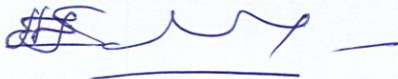
APL is currently focusing on a strategy whereby all possible renewable energy resources within its plantations, mainly hydro power and solar power are tapped to take advantage of the benefits derived from such projects.

Yours faithfully,

By Order of the Board

LANKEM DEVELOPMENTS PLC

CORPORATE MANAGERS & SECRETARIES (PVT) LTD



Secretaries