

12th October 2022

Our Ref: SEC/LD/844

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 Developments PLC (LDPLC) and its related party Lankem Ceylon PLC (LCPLC).

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|---|---|
| (i) Date of the transaction and applicable period | - 30 th September 2022– 2022/2023 |
| (ii) Name of relevant Related Party | - Lankem Ceylon PLC |
| (iii) Relationship between the Entity and the Related Party - Related Companies | |
| (iv) Details of the transaction | - Obtaining an inter-company short term loan of Rs. 183.8Mn from Lankem Ceylon PLC (LCPLC). |
| (v) Rationale for entering into the transaction | - Funds raised for settlement of loan due to the Parent Company, Consolidated Tea Plantations Ltd (CTPL) in order to facilitate the loan rescheduling between the Parent Company CTPL and subsidiary Agarapatana Plantations Ltd. (APL) |

(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.192.9Mn
for the financial period 2022/2023 with Lankem Ceylon PLC.
(Inclusive of the aforesaid transaction)

(viii) Aggregate value of all Related Party Transactions - Rs.497.7Mn
for the same financial period 2022/2023
(Inclusive of the aforesaid transaction)

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


Secretaries