

11 January 2021

Ms. Nilupa Perera,
Head of Trading, Market Surveillance & Corporate Affairs,
Colombo Stock Exchange,
#04-01, West Block,
World Trade Center,
Echelon Square,
Colombo 1.

Dear Madam,

MTD WALKERS PLC ("The Entity")

**RE: NEWSPAPER ARTICLE PUBLISHED IN THE CEYLON TODAY AND DAILY NEWS ON 7
JANUARY 2021**

We refer to the above subject and clarify as follows –

1. Following information to the shareholders were uploaded on the Colombo Stock Exchange ("CSE") website and the Corporate website on 9 December 2020 and were posted to all shareholders on 11 December 2020
 - i. Circular to shareholder
 - ii. Notice
 - iii. Form of proxy
 - iv. Guidelines and Registration clauses
 - v. Registration Form
 - vi. Request form for the printed copy of the Annual Report.
2. An Errata was done to the Annual Report which was uploaded on 17 December 2020 on CSE website and the Corporate website.
On the same day revised Agenda and Form of Proxy was uploaded to the same web sites.
All these were posted to the shareholders on the same day.
3. Under item 02 in the Annual General Meeting registration guidelines and also "Registration Procedure" in the Circular to the Shareholders, it is explicitly indicated that registrations should be done **36 hours before the meeting**.

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4. The said shareholder in the article who is the 3rd largest shareholder of the Company had not followed the due procedure in registering for the AGM where he had made a request to the Company Secretary to register over the phone on 5 January 2021 (evening).
5. In keeping with the regulations to the Annual General Meeting registration process, the Company Secretary could not accept a registrations which was requested over the phone less than 18 hours before the meeting. This was informed to the shareholder clearly.
Had the Company Secretary given the Zoom link via mobile message, by passing the registration procedure and rules, this would have again been a violation of the right of all other shareholders.
6. There were **02 dedicated telephone numbers and 02 e mail addresses of company officers**, given in the guidelines to the Registration process and the Circular to the Shareholders."
7. We received duly perfected registration forms from 09 shareholders, to whom we sent the zoom link via e mail.
To the shareholders who had given only a mobile numbers were also sent the zoom links to their respective mobile numbers.
8. 20 shareholders had requested annual reports up to 5 December 2021, which were duly posted.
9. The conducting of the Virtual meeting was outsourced and we shared all shareholder requisitions with the outsourced team hired for the purpose.
10. The moderator (from the outsourced party) entered all registered participants, who were logged in the Zoom meeting (waiting room) before the meeting which was done in front of Mr Jehan Amaratunga, Director and the meeting was conducted correctly.
11. Chairman, Dato' Nik Faizul presided the meeting and after the agenda Item 01 handed over to Mr Jehan Amaratunga, Director to deal with the questions & answers.
As Mr Amaratunga was to be re-elected in terms of the agenda Item 02, the Chairman presided the meeting again and after the voting the forum was again handed over to Mr Amaratunga to continue with the balance agenda items.
12. Both Chairman and Mr Amaratunga made several times asked whether any shareholder has any queries.
13. The Company Secretary did not have any control over the turned off or turned down the voice of the participants as this was totally in the hands of the outsourced party and the moderator controlled all with their technical support staff. The Company Secretary even did not have a computer / laptop and a microphone with her, to initiate any controls, hence totally refute all allegations done maliciously to defame the name of the Company Secretary.
14. The Entity did not have the facility to conduct a virtual meeting hence an outside party was engaged. The list of shareholders who had been registered for the meeting was given to the outsourced party.

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15. The Board of Directors and the Management had taken every effort to convene the Annual General Meeting for the financial year 2018/2019. Also every effort is being taken by the Board of Directors and the Management to safe guard the shareholders rights and to get the Company back on track, enable them to trade their shares.

Yours faithfully
FOR AND BAHALF OF THE BOARD



P S Attygalle
Company Secretary