

M&S Managers & Secretaries (Private) Limited

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Company Reg. No.: PV 5625

6th April 2026

Ms. Nilupa Perera
Chief Regulatory Officer
Colombo Stock Exchange
World Trade Centre
Colombo 01

Dear Madam,

VIDULLANKA PLC

NON-RECURRENT RELATED PARTY TRANSACTION AS PER SECTION 8 AND SECTION 9.14.7 OF THE LISTING RULES OF THE CSE

On behalf of our client Vidullanka PLC, we wish to inform you that, in terms of Section 8 and 9.14.7 of the Listing Rules of the Colombo Stock Exchange, the Board of Directors of Vidullanka PLC (the "Company") wishes to announce that it has authorized the acquisition of a 100% equity stake in Bhoruka Power Lanka (Pvt) Limited, which owns and operates the 4.5MW Gurugoda mini hydro power plant situated in Aranayake, Sri Lanka.

- i. Date of Transaction** - 4th April 2026
- ii. Name of relevant Related Party** - Mr. Ranjan Mather and his close family members
- iii. The relationship between the Listed Entity and the Related party** - Non-Executive Director and a Significant Shareholder of Vidullanka PLC, holding a 10.51% voting interest. The Mather family collectively holds an aggregate voting interest of 18.58% in the Company.
- iv. Details of Transaction**

100% of the issued shares of the Bhoruka Power Lanka (Pvt) Limited are being acquired from Mr. Ranjan Mather and his close family members.

 - **Total consideration** - Rs. 663,457,025/-.
 - **Total asset value (as per the audited financial statements of the Company for the year ended 31 March 2025)** - Rs. 5,077,284,807/-.

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Terms of transaction

The purchase price includes a realisable net current asset balance of approximately Rs. 161.5 million held by the target company. The consideration shall be settled as follows:

- **Immediate Payment:** Rs. 170,961,350/- payable upon execution (to settle shareholder receivables in the target's books).
- **Performance Contingent Payment:** Rs. 192,495,675/- payable on or before 15 December 2026, subject to the power plant (currently undergoing restoration from Cyclone Ditwah damage) or upon becoming satisfactorily operational.
- **Deferred Payment:** The balance Rs. 300,000,000/- shall be paid in instalments (Rs. 2,000,000/- per month for 5 months, followed by Rs. 5,000,000/- per month for 58 months).

Basis on which the terms were arrived at

The terms were determined based on an independent valuation report issued by Valuer W.A.I. Wanigasundara (Reg. No. A 573), which assessed the power plant assets at a fair value of Rs. 711 Mn. In addition, a DCF valuation using a 16% discount rate indicated a present value of Rs. 661 Mn, alongside the realizable net current assets of Rs. 161.5 Mn identified above. The acquisition price reflects a significant discount to both the fair value of assets and the net present value of future cash flows.

v. Rationale for entering in to the transaction

The acquisition is strategically aligned with the Company's growth in the renewable energy sector. The payment structure provides a critical risk-mitigation framework, ensuring the Company only commits substantial capital once the asset is operational and revenue-generating following restoration.

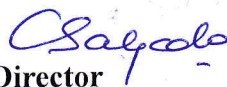
The Related Party Transactions Review Committee of the Entity is of the view that the transaction is on normal commercial terms and is not prejudicial to the interests of the Entity and its minority shareholders.

The aggregate value of all non-recurrent Related Party Transactions entered into with the Mather family for the current financial year (including this transaction) is Rs. 663,457,025/-.

It is to note that that Mr. Ranjan Mather and Mr. Sujendra Mather did not take part in the board deliberations and decisions with regard to the said acquisition.

Yours Faithfully,

MANAGERS & SECRETARIES (PRIVATE) LIMITED



Director

Secretaries