



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 October 2019

Our Ref: SEC/LC/571

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 Related Company E.B. Creasy & Company PLC (EBC):

- | | |
|---|--|
| (i) Date of the transaction and applicable period | - 30th September 2019 –2019/2020 |
| (ii) Name of relevant Related Party | - E.B. Creasy & Company PLC |
| (iii) Relationship between the Entity and the Related Party | – Related Company |
| (iv) Details of the transaction | - Disposal of the Company's Consumer Goods Business, inclusive of Trade Marks and Machinery to Related Company E.B. Creasy & Company PLC for a consideration of Rs.100M. |
| (v) Rationale for entering into the transaction | - The Company having made a strategic decision to focus its efforts on its core business units of Crop Protection Solutions and Coatings and ancillary products and in keeping with this strategy the Company has disposed of its Consumer Goods Business. |

(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. 312,390,255.85
for the financial period 2019/2020 with, E.B. Creasy & Company PLC
(inclusive of the aforesaid transactions)

(viii) Aggregate value of all Related Party Transactions - Rs. 1,686,686,428.10
for the same financial period 2019/2020
(inclusive of the aforesaid transactions)

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



Secretaries

ts/-