

**HEMAS**14<sup>th</sup> May 2019

Mr. Renuke Wijayawardhane,  
Chief Regulatory Officer,  
Colombo Stock Exchange,  
# 04-01, West Block,  
World Trade Centre,  
Echelon Square,  
Colombo 1.

YR  
Circular  
27/5



Dear Sir,

**SERENDIB HOTELS PLC - DISCLOSURE MADE UNDER SECTION 9 OF THE LISTING RULES**

In terms of Section 9 of the Listing Rules, we hereby inform you that Serendib Hotels PLC (the "Company") has entered into the following related party transaction with its subsidiary company, Dolphin Hotels PLC.

**Transaction**

<b>Date of the Transaction</b>	29/03/2019
<b>Name of the Related Party</b>	Dolphin Hotels PLC
<b>Relationship between the Company and the Related Party</b>	Dolphin Hotels PLC is a subsidiary company of Serendib Hotels PLC
<b>Details of the transaction</b>	Non- recurrent inter-company borrowing of Rs. 411,460,000/- on a short-term basis from Dolphin Hotels PLC
<b>Rationale for the transaction</b>	To borrow funds at commercially favorable terms

The Related Party Transaction Review Committee of the Company 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 Related Party Transaction Review Committee has not obtained an opinion from an independent expert prior to forming its view on the transaction.

The aggregate value of the Related Party transaction with Dolphin Hotels PLC for the financial year 2018/2019 is Rs. 501,623,237/-.

The aggregate value of the Related Party transactions with all related parties for the financial year 2018/2019 as at date is Rs. 498,869,585/-.

Thank you.

Yours faithfully,

COMPANY SECRETARY  
HEMAS CORPORATE SERVICES (PVT) LTD  
SECRETARIES TO SERENDIB HOTELS PLC

**Hemas Corporate Services (Pvt) Ltd. Reg. No. PV 1161**

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