



CARSONS MANAGEMENT SERVICES (PRIVATE) LIMITED
No. of Company PV 315

11th January 2017

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

Our Ref: SHAL/CSE/ANN/2017/DM/01

Dear Sir,

SHALIMAR (MALAY) PLC (the Company)

ANNOUNCEMENT IN TERMS OF RULE 9.3.1 OF THE LISTING RULES OF THE COLOMBO STOCK EXCHANGE.

RELATED PARTY TRANSACTION BETWEEN THE COMPANY AND THE HOLDING COMPANY, GOODHOPE ASIA HOLDINGS LTD

We write with reference to the announcement made by the Company to the Colombo Stock Exchange (CSE) on 8th December 2016, regarding the repurchase of shares by the Company.

We wish to inform you that Goodhope Asia Holdings Ltd (GAHL), the holding Company has accepted the repurchase offer made by the Company in respect of 1,284,526 shares held by GAHL, and payment of consideration by the Company to GAHL in respect of the said shares tendered to be repurchased by the Company amounts to a Non – Recurrent Related Party Transaction in terms of Rule 9 of the Listing Rules of the CSE.

Accordingly, the following disclosure is made in terms of Rule 9.3.1 of the Listing Rules of the CSE, as the value of the said transaction exceeds 5% of the Total Assets as per the latest audited financial statements of the Company.

i) Name and Relationship between the Company and the related party:

Goodhope Asia Holdings Ltd (GAHL) is the holding company of Shalimar (Malay) PLC.

ii) Date of the transaction or the period:

The payment date to GAHL is 11th January 2017.

iii) Details of the transaction:

GAHL was entitled to accept 1,283,460 shares offered for repurchase by the Company. Further GAHL had tendered additional 11,292 shares to be repurchased by the Company, out of which 1,066 shares were repurchased by the Company on a pro – rata basis. Accordingly, the total number of shares that was repurchased from GAHL was 1,284,526.

GAHL received a total consideration of LKR 2,952,097,653/- in respect of the said 1,284,526 shares repurchased by the Company.

iv) Rationale for entering into the transaction:

Distribution of the net sales proceeds received from the sale of the Malaysian Plantation of the Company to the Shareholders of the Company.

v) The aggregate value of the Non – Recurrent Related Party Transactions for the financial year with GAHL and the aggregate value of all related party transactions entered into by the Company with any related party during the same financial year.

The aggregate value of the Non – Recurrent Related Party transactions between the Company and GAHL for the current financial year ending 31st March 2017 as of date of this announcement is Rs.2,976,952,053/- and the aggregate value of all related party transactions entered into by the Company for the current financial year ending 31st March 2017 as of date of this announcement is Rs.3,563,680,798/-.

The Related Party Transactions Review Committee (RPTRC) of Carson Cumberbatch PLC, which functions as the RPTRC of the Company, is of the view that the above stated transaction is on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders and the RPTRC has not obtained an opinion from an independent expert prior to forming its view on the transaction.

In terms of Rule 9.1.1 of the Listing Rules of the CSE, the approval of the shareholders was obtained for the above mentioned non-recurrent transaction at the Extraordinary General Meeting held on 16th November 2016.

Yours faithfully
for and on behalf of
SHALIMAR (MALAY) PLC
Carsons Management Services (Private) Limited


Director
Secretaries

Da/dm

