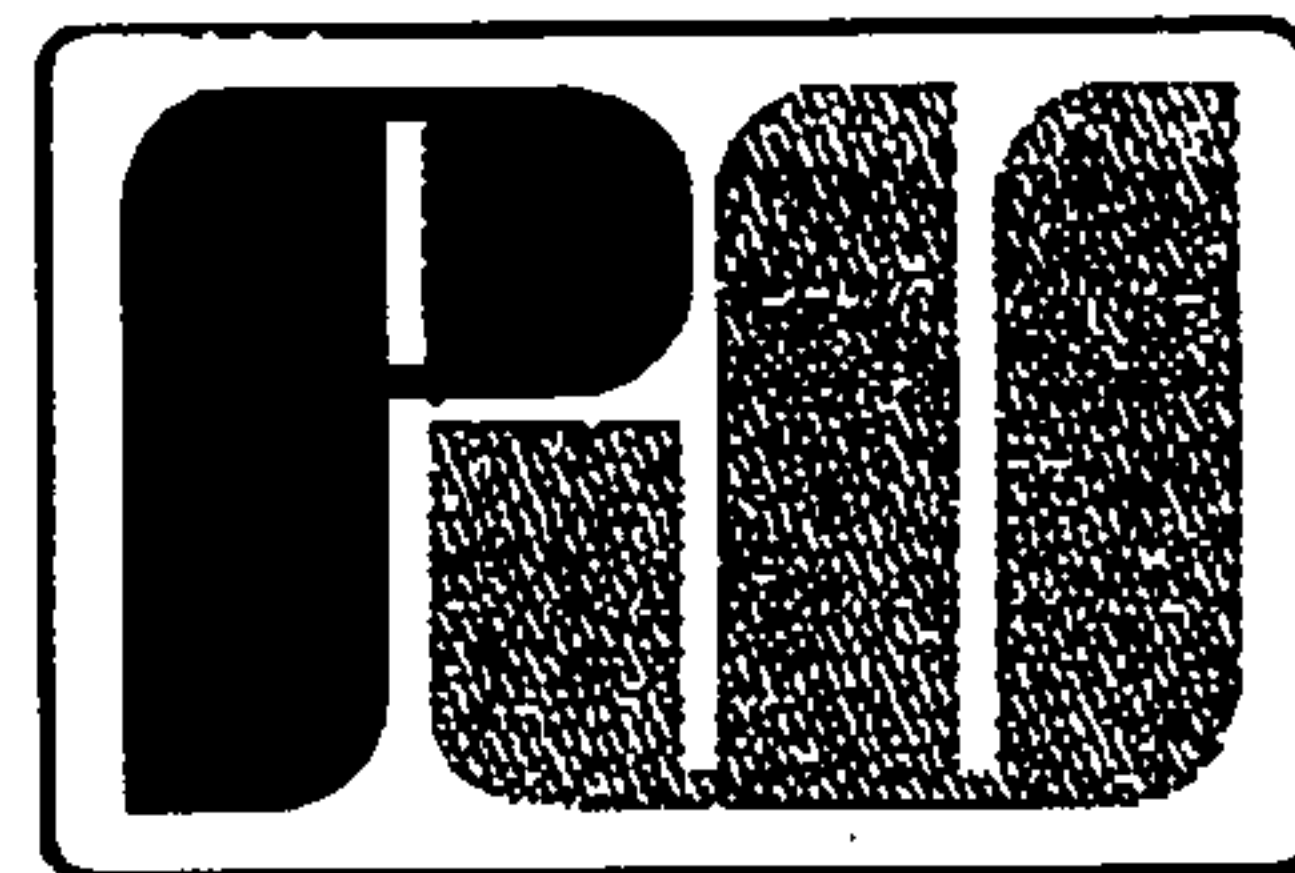


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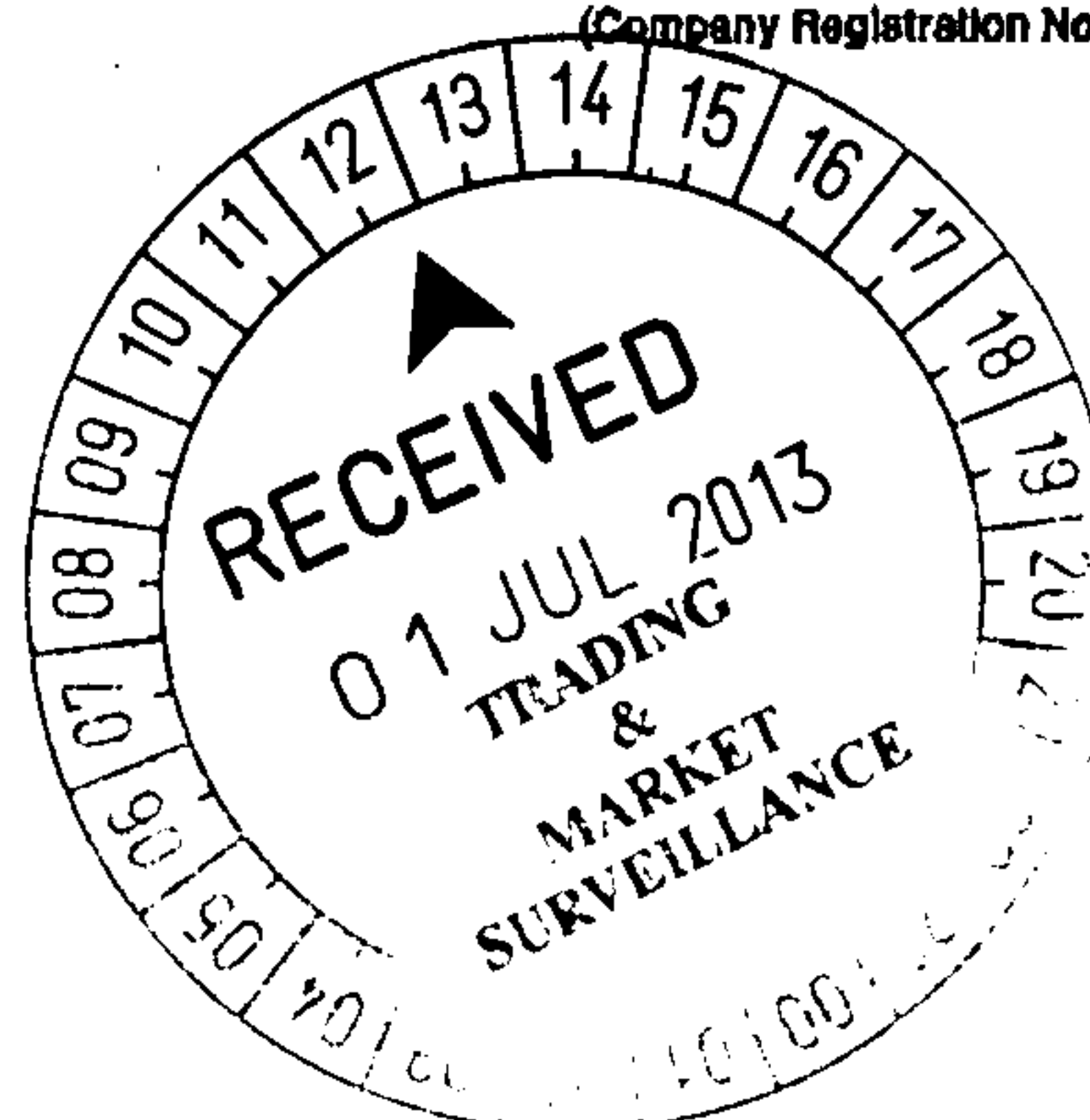


P W Corporate Secretarial (Pvt) Ltd

(Company Registration No. PV 65968)

1st July 2013

Mr. Renuke Wijayawardhane
 Assistant General Manager- Regulatory Affairs
 Colombo Stock Exchange
 #04-01 West Block
 World Trade Centre
 Colombo 01



Dear Sir

ANNOUNCEMENT

MANDATORY OFFER BY ROYAL CERAMICS LANKA PLC TO PURCHASE ALL THE REMAINING ORDINARY SHARES OF LANKA CERAMIC PLC (PQ 157)

In the Offer Document dated 7th June 2013 where Royal Ceramics Lanka PLC (Offeror) offered to purchase all the remaining Ordinary Shares of Lanka Ceramic PLC (the Offeree) which closed at 4.30 pm on 28th June 2013, in clause 3.5.8(a) reference was made to an understanding amongst the concert parties namely the Offeror, Vallibel One PLC, Mr. Wannakuwattewaduge Don Nimal Hemasiri Perera and Mr. Anthony Asokumar Page, that post acquisition of shares, Mr. Page shall hold not less than 30% of the total shares in the Offeree Company. Accordingly, the Offeror was to transfer 7,650,000 shares constituting 25.5% of the total shares in issue in the Offeree Company, out of its holding to Mr. Page on the Trading Floor of the Colombo Stock Exchange (CSE).

However, since Mr. Page is now desirous of holding only upto 12.5% and not 30% of the total shares in issue in the Offeree Company, the acquisition of shares by Mr. Page would reduce to 8% from the earlier agreed quantum of 25.5% as stated in the Offer Document.

It is further informed that of the said 8%, the Offeror will transfer 1,900,000 shares constituting approximately 6.33% of the total shares in issue in the Offeree Company, whilst Mr. Perera would be transferring 500,000 shares constituting approximately 1.67% of the total shares in issue in the Offeree Company.

For and on Behalf of
 Royal Ceramics Lanka PLC

Priyanthi Pieris
 Director
 P W Corporate Secretarial (Pvt) Ltd
 Managers and Registrars to the Offer

Handwritten notes:
 2/15
 Anuruddha
 01/07/13