

BY FAX/ BY HAND

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

1st July 2016

Mr. Renuke Wijayawardhane **Chief Operating Officer** Colombo Stock Exchange #4-01, West Block World Trade Centre **Echelon Square** Colombo 01

Our Ref. No: LION/CSE/ANN/2016/NS/04

Dear Sir, ANNOUNCEMENT

LION BREWERY (CEYLON) PLC STATUS ANNOUNCEMENT ON THE COMPANY'S PUBLIC HOLDING

Further to the Non-Compliance Announcement on the Company's Public Holding made on 27th June 2016, in accordance with Section 7.13.2(e) of the Listing Rules of the Colombo Stock Exchange, the Company wishes to make the following 'Status Announcement' in relation to the Company's Public Holding;

1) As at 30th June 2016, the Company's Public Holding percentage and the number of shares in the hands of the Public;

The Company's Public Holding percentage was 13.92% in the hands of 1,179 Public Shareholders. The number of shares held in the hands of the Public Shareholders was 11,134,825 ordinary shares. The Company's Market Capitalization of its Public Holding was Rs.4.23 Billion.

2) On 17th May 2016 the Company premises in Biyagama was affected from a flood that ravaged the entire area consequent to incessant rains and the flooding of the Kelani River. We believe that this may have been a likely contributory factor for the decline in the share price.

The full extent of the damage caused to the Brewery is yet being assessed. The Management is taking steps to mitigate the impact and bring operations back to normalcy as early as possible. Consequent to operations being restored, it is expected that the share price will respond positively and thus the Market Capitalization requirement will once again meet the criteria required by Rule 7.13.1(a)(ii) of the Listing Rules of the Colombo Stock Exchange.

Yours faithfully, For and on behalf of LION BREWERY (CEYLON) PLC

Carsons Management Services (Private) Limited

Director

Secretaries

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Regd. Office: 61, Janadhipathi Mawatha, P. O. Box 24, Colombo 01, Sri Lanka.

Tel: +94-11-2039200 Fax: +94-11-2039300

E-mall: carsons@carcumb.com Web sile: www.carsoncumberbatch.com

Directors: H. Selvanathan (Chairman), M. Selvanathan, S. K. Shah, P. C. P. Tissera,
K. C. N. Fernando, A. P. Weeratunge, Mrs. K. D. de Silva, K. Selvanathan

