

# CORPORATE SERVICES (PRIVATE) LIMITED

An Associate of



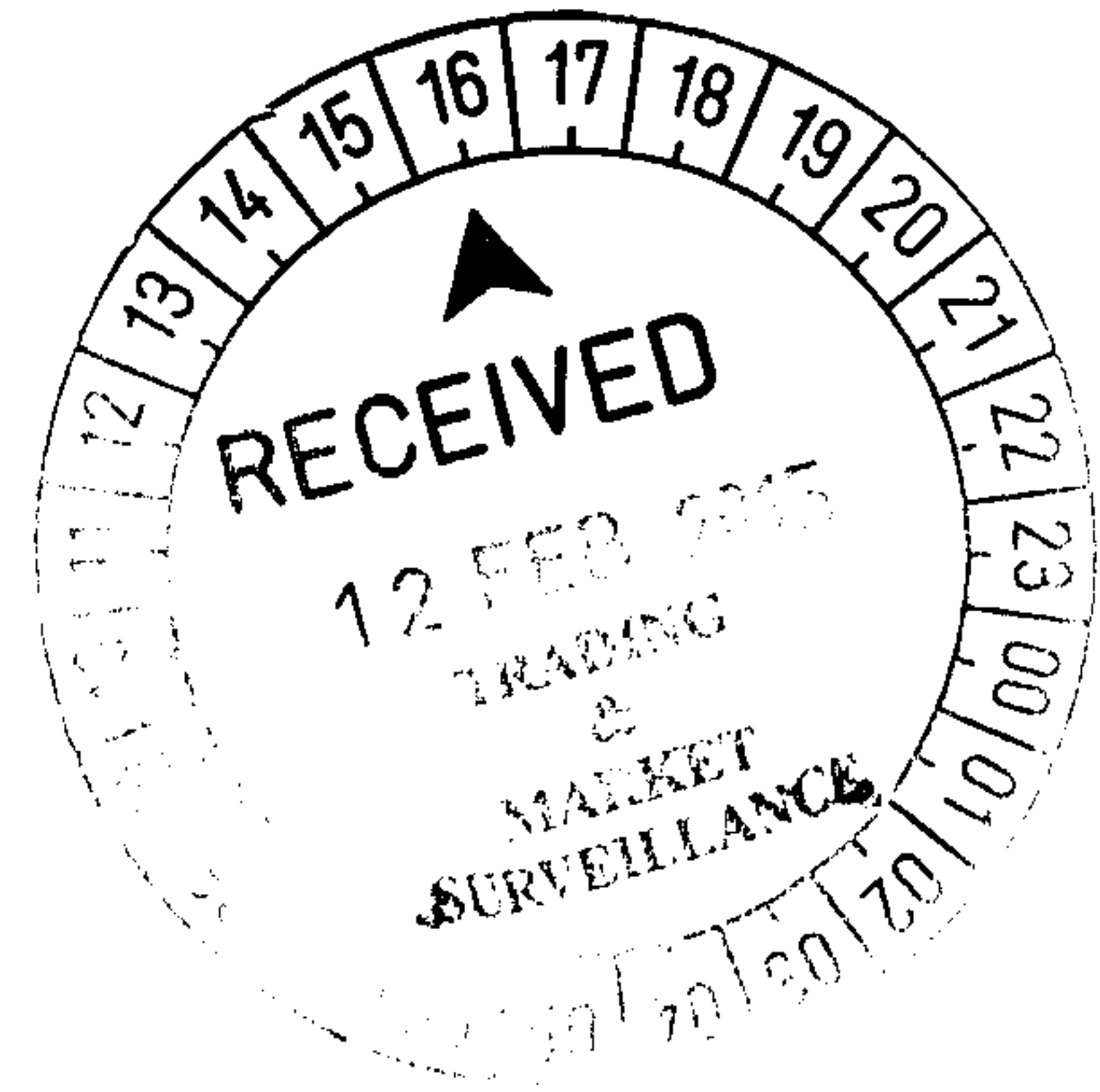
FJ&G de Saram  
Attorneys at Law  
Commenced 1881

12<sup>th</sup> February 2015

By Telefax: 2391128

Colombo Stock Exchange  
#04-01 West Block,  
World Trade Centre,  
Echelon Square,  
Colombo 01.

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**Attn: Renuke Wijewardhane**  
**Chief Operating Officer**

Dear Sirs,

## **Textured Jersey Lanka PLC – Corporate Disclosure**

The Board of Directors of Textured Jersey Lanka PLC ('TJL') has decided to initiate an independent valuation and due diligence study for the purpose of looking at the feasibility of acquiring controlling stakes in Ocean India (Pvt) Ltd ('Ocean India') and Quenby Lanka Prints (Pvt) Ltd ('Quenby Lanka'). This is in pursuance of TJL's on-going regional expansion and capability enhancement strategy. The decision to proceed with the acquisitions will be subject to findings of the study and the ensuing negotiations between all parties concerned.

Brandix Lanka Limited a 30% equity holder in TJL also has equity stakes in both Ocean India and Quenby Lanka. In this context a board subcommittee consisting of the Chairman of TJL- Mr. Bill Lam, two Independent Directors, namely Mr. Amitha Gooneratne and Prof. Malik Ranasinghe, and the Managing Director- Sriyan de Silva Wijeyeratne, have been appointed to oversee the progress of the transaction. The independent valuation will be conducted by M/s Ernst and Young, Chartered Accountants. Upon the conclusion of the study, if an agreement between all parties is successfully reached, further details including consideration and payment method will be disclosed to the market. The completion of the transaction is also subject to approvals from the Board of Investment of Sri Lanka and the shareholders.

Ocean India is a Knit Fabric manufacturer based in Visakhapatnam, India. TJL currently has a technical services agreement with Ocean India that has allowed TJL's management to familiarize itself with the operations of Ocean India since October 2013.

Company number PV 13609

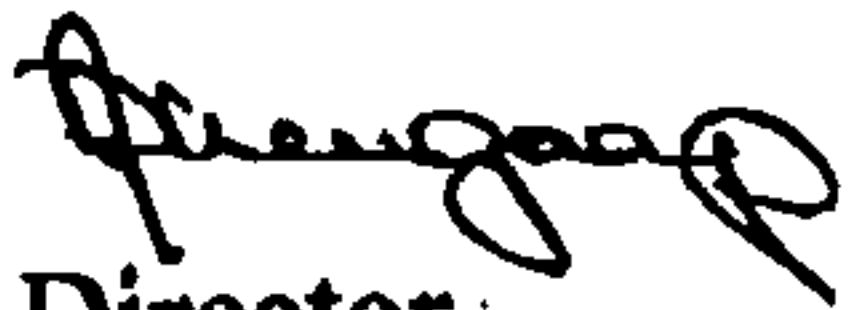
216, de Saram Place, Colombo 10, Sri Lanka.

Tel : (+94 11) 4605100 / 4718200 / 2677864 Fax : (+94 11) 4718220 / 2677863 Email : csl@fjgdesaram.com

Quenby Lanka is a leading Fabric Printer based in Sri Lanka. Quenby Lanka is currently a strategic vendor to TJJ and is located in the Seethawaka International Industrial Park in very close proximity to the TJJ production facility. As a strategically located vendor, over the years Quenby Lanka has developed a strong working relationship with TJJ.

Provided the decision is made to proceed with the two acquisitions, the strong working relationships already established, should help speed up the business integration process and potentially launch TJJ to the next level of solution provision, innovation, and regional growth, thereby adding significant long-term value to its shareholders and reinforcing its leadership stature within the fabric industry.

Yours faithfully,



Director  
Corporate Services (Private) Limited  
Secretaries  
Textured Jersey Lanka PLC