



ANNOUNCEMENT UNDER THE COMPANY TAKE-OVERS AND MERGERS CODE 1995 (AS AMENDED IN 2003)
AND GAZETTED IN THE GAZETTE EXTRAORDINARY NO. 875/9 DATED 16TH JUNE 1995 AND AMENDED BY
GAZETTE NO. 1299/6 DATED 29TH JULY 2003

MANDATORY OFFER BY EDEN HOTEL LANKA PLC TO PURCHASE 32,779,403 ORDINARY SHARES OF SERENDIB HOTELS PLC

1. BACKGROUND TO THE OFFER

Eden Hotel Lanka PLC, bearing Company Registration No. PQ 199 and having its Registered Office at No.100/1, Sri Jayawardenepura Mawatha, Rajagiriya (hereinafter referred to as the **Offeror**) acquired, on 15th December 2020, on the Trading Floor of the Colombo Stock Exchange (CSE), 42,735,335 ordinary shares in **Serendib Hotels PLC** (hereinafter referred to as the **Offeree**), constituting approximately 56.59% of the total number of shares in issue in Offeree at a price of Rs. 14.20 per share.

Consequent to the said purchase of shares, the Offeror triggered the threshold limits placed by the Company Takeovers and Mergers Code 1995 (as amended)(Code), published under the Rules made by the Securities and Exchange Commission of Sri Lanka under Section 53 of the Securities and Exchange Commission of Sri Lanka, Act No. 36 of 1987 as amended, and in terms of Rule 31(1)(a) of the Code (as stated below), is obliged to make a Mandatory Offer to purchase the balance 32,779,403 ordinary shares carrying voting rights of the Offeree at a price of Rs.14.20 per share.

Rs.14.20 is the highest price paid by the Offeror for a share of the Offeree during the period of one year immediately prior to 15th December 2020.

Rule 31(1)(a) of the Code states as follows :

"Where any person acquires, whether by a series of transactions over a period of time or otherwise, shares which taken together with shares held or acquired by persons acting in concert with such persons, carrying Thirty per centum or more of the voting rights of a Company; such person shall extend within Thirty Five days, an offer in accordance with this Rule to the holders of any class of equity shares which carrying voting rights and in which such person or persons acting in concert with him hold shares ".

2. TERMS OF THE OFFER

The Offeror, offers to purchase from the shareholders of the Offeree, 32,779,403 ordinary shares, at a price of Rs. 14.20 per share, being the price at which the Offeror acquired the shares of the Offeree on 15th December 2020, which is the highest price paid by the Offeror, during the period from 16th December 2019 to 15th December 2020, for a share of the Offeree.

The Offer to be made by the Offeror as herein contemplated shall be open to all ordinary shareholders of the Offeree registered in the books of the Offeree at the close of the Offer.

3. THE IDENTITY OF THE OFFEROR

The Offeror was incorporated on 13th January 1992. The Company's principal activity is carrying on the business of a hotelier. In addition, it has invested in several leisure properties in both Sri Lanka and Maldives. At present, the Company owns 3 hotels in Sri Lanka viz., Dickwella Resorts (Pvt) Limited, Green Paradise (Pvt) Limited and Sun and Fun Resorts Limited. Apart from the locally operating hotels, the Company has expanded its wings globally, while making significant investments in the Maldives.

The Directors of the Offeror are, W D K Jayawardena, S Furkhan, K U Amarasinghe, D S K Amarasekera, Dr. J M Swaminathan, and Prof. M T A Furkhan.

The Stated Capital of the Offeror is Rs.5,808,000,000/- represented by 528,000,000 Shares.

4. EXISTING SHAREHOLDING IN THE OFFEREE COMPANY

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|------|---|------------|
| (aa) | The number of Offeree shares the Offeror owns or over which the Offeror has control | 42,735,335 |
| (bb) | The number of Offeree shares owned or controlled by any person acting in concert with the Offeror | Nil |
| (cc) | The number of Offeree shares in respect of which the Offeror has received an undertaking by any shareholder to accept the Offer | Nil |

5. CONDITIONS OF THE OFFER

In terms of Rule 31(2) of the Code, offers made under Rule 31 **shall be conditional** only upon the Offeror having received acceptances in respect of shares which together with shares acquired or agreed to be acquired before or during the offer will result in the Offeror and persons acting in concert with the Offeror holding shares carrying more than fifty per centum (50%) of the voting rights.

The Offeror having acquired Shares carrying more than 50% of the voting rights, the Offeror declares that **this Offer is unconditional as to acceptances at the very outset.**

It must be noted that “**acceptance**” by a shareholder shall mean the acceptance according to the procedure which will be set out in the Offer Document referred to in item 6 being complied with.

“**Unconditional as to acceptance**” shall mean; “*The Offeror must accept and pay for all shares tendered at the offer price while the shareholders of the Offeree lose their right to withdraw the shares*”

6. FURTHER DETAILS OF THE OFFER

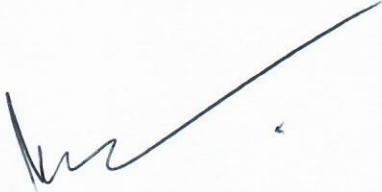
A detailed Mandatory Offer Document giving other relevant information including the period during which the offer would be kept open in terms of the aforesaid Company Take-Overs and Mergers Code, will be forwarded to all shareholders of the Offeree within thirty five (35) days from the date of incurring the obligation to make the Mandatory Offer.

A shareholder who does not receive a copy of the Mandatory Offer Document due to a postal delay or any other reason is advised to collect a copy of the Mandatory Offer Document from the Registrars to the Offer, P W Corporate Secretarial (Pvt) Ltd, 3/17 Kynsey Road, Colombo 08 (Tel. No. 4640360-3).

The Directors of the Offeror, do hereby declare and confirm that this Announcement has been seen and approved by them and that they collectively and individually accept full responsibility for the accuracy and completeness of the information given in this Announcement, and confirm to the best of their knowledge that there are no other facts, the omission of which would make any statements herein misleading.

By Order of the Board
Eden Hotel Lanka PLC


Director


Director

Dated this 21st day of December 2020