



P W Corporate Secretarial (Pvt) Ltd

(Company Registration No. PV 65966)

BOGAWANTALAWA TEA ESTATES PLC

**ANNOUNCEMENT TO THE HOLDERS OF SENIOR, LISTED, RATED, CONVERTIBLE,
UNSECURED, REDEEMABLE DEBENTURES CLASSIFIED AS TYPE 'A' WITH A TENURE OF
FIVE (5) YEARS (2019/2024) ("Type 'A' Debentures")**

**Conversion of Type 'A' Debentures to Ordinary Voting Shares
as set out in the Prospectus dated 20th June 2019**

In terms of the issue of Type 'A' Debentures which were issued to you on 24th July 2019, you have the option of converting up to fifty percent (50%) of your Type 'A' Debentures into Ordinary Voting Shares in the Company, prior to 23rd July 2021 (immediately succeeding the completion of Two (02) years from the date of issue). Subject to a minimum of Ten (10) Debentures and thereafter in multiples of Ten (10) Debentures.

According to the said terms of issue, the **conversion price of a debenture** into Ordinary Voting Shares, would be determined by extending a Ten percent (10%) discount to the simple average of the Volume Weighted Average Price (VWAP) of the Ordinary Voting Shares of the Company, traded during three (03) months period immediately preceding the entitlement date of conversion, as published by the Colombo Stock Exchange (CSE).

The conversion ratio is - Ten (10) new shares will be allotted per One (01) Debenture to be converted by the holder of Type 'A' Debenture.

The cost of the Debentures to be converted is determined by multiplying the number of Debentures to be converted with the issue price of the Debenture, at **LKR 85**.

The cost of Debentures will be thereupon, set off (deducted) against the total due from the holder of the Type 'A' Debenture (namely the **conversion price of a Debenture**), in arriving at the payment consideration per share.

Example : -

- (1) a holder of 50,000 Debentures decides to convert up to 50% of the Debentures to Ordinary Shares. (25,000)
- (2) the number of shares upon such conversion shall be 250,000
- (3) the conversion price of a Debenture into Ordinary Shares as aforesaid if determined as LKR 10, the consideration per share shall be - $250,000 \times \text{LKR } 10 = \text{LKR } 2,500,000$
- (4) the cost of 25,000 Debentures = LKR 2,125,000
- (5) accordingly, the amount due on the conversion of the 25,000 Debentures shall be = $\text{LKR } 2,500,000 - \text{LKR } 2,125,000 = \text{LKR } 375,000$

No payment consideration will be required in the event the cost of the Debentures to be converted is equal or more than the payment required on the shares being purchased. Under such circumstances, no refunds will be made by the Company to the holders of Debentures.

Post conversion of the Type 'A' Debentures to Ordinary Voting Shares, such shares shall rank equal and *pari passu* with the then-existing Ordinary Voting Shares of the Company, and be entitled to dividends declared post-conversion.

Interest in respect of Debentures that are to be converted will be accrued up to and including the date of allotment of shares and will be paid to the Debenture holders in the usual manner together with the coupon payment for the balance outstanding Debentures and no interest will accrue for the Debentures converted to shares thereafter, as those Debentures will cease to exist.

Any Type 'A' Debentures remaining not converted will continue to be serviced in the manner specified in the Prospectus dated 20th day of June 2019, up to the date of redemption (such number remaining shall be not less than 50% of your current holding of Type 'A' Debentures).

The CSE has approved in principle by their letter dated 19th June 2019 the listing of the Ordinary Voting Shares arising from such conversion.

The timelines and the procedure for the commencement and the conclusion of the listing of the Ordinary Voting Shares pursuant to the conversion of the Type 'A' Debentures

1. The date of completion of two (02) years from the date of allotment of the Type 'A' Debentures is 23rd July 2021. Such day being a Poya day, **22nd July 2021** shall be considered as the date to complete the conversion.
2. The 'Entitlement Date of Conversion' shall be **30th June 2021**, at end of Trading on 30th June 2021 the Company will obtain a list of holders of Type 'A' Debentures who shall have the option to convert up to 50% of their Type 'A' Debentures into shares of the Company as aforesaid.
3. The Company will communicate on **1st July 2021**, with the holders of Type 'A' Debentures as per the list aforesaid, a Form of Application for Conversion, setting out their entitlement for conversion together with instructions for payment and the return of completed Application.

Such communication may be in the form of a letter enclosed therewith the relevant documentation sent by post provided, postal services are available / by email to the holders of Type 'A' Debentures where such email addresses are available with the Company. Additionally, all the relevant documents would be published on the Company website <https://www.bogawantalawa.com/> and the CSE website, on 1st July 2021, so that the holders of Type 'A' Debentures who decide to exercise the option to convert, may download and fill the "Application for Conversion" and "Letter of Authorization to CDS" and submit same / to be received by the Registrars to the Conversion, **P W Corporate Secretarial (Pvt) Ltd, at No. 3/17, Kynsey Road, Colombo 08, on or before 12th July 2021** together with;

the **payment consideration** to be communicated/published as aforesaid on 1st July 2021.

(i) The remittance must be made either

- by Cheque/Bank Draft drawn upon any commercial bank operating in Sri Lanka and payable to "BOGAWANTALAWA TEA ESTATES PLC – DEBENTURE ISSUE 2019" and crossed "Account Payee Only", and forwarded to the Registrars

or

- by way of direct remittance to the Bogawantalawa Tea Estates PLC – Debenture Issue 2019, the details of which are given below

Account name	- Bogawantalawa Tea Estates PLC – Debenture Issue 2019
Account No.	- 1000179819
Name of Bank	- Commercial Bank of Ceylon PLC (Bank code. 7056)
Branch	- Foreign Branch (Branch code. 003)

- (ii) **Cheques must be honored on the first presentation for the application to be valid. Applications supported by cheques that are not honored on the first presentation will be rejected. Each Application for Conversion should be accompanied by a single Cheque/Bank Draft/Bank deposit (with advice), direct remittance (with advice) for the exact amount payable for the number of Type 'A' Debentures converted.**



- (iii) The remittance from Non-Resident shareholders must be made out of an Inward Investment Account ("IIA") maintained with a Commercial Bank operating in Sri Lanka. **Such applications must be accompanied by a letter from the respective commercial bank confirming the same.** If the payment is not made out of IIA, but out of inward remittance or remittable funds, the approval of the Director, Department of Foreign Exchange to make such payment must accompany the Application for Conversion.
- (iv) Please note that it is the Foreign Investor's/Non-Resident Sri Lankan's responsibility to comply with laws relevant to the jurisdictions of their residency and of Sri Lanka.
- (v) Application Forms accompanying remittances, which are not in accordance with the instructions, will be rejected.
- (vi) The Ordinary Voting Shares allotted on this Issue would be directly uploaded to the CDS on 22nd July 2021. Share certificates will not be issued.
- (vii) If the duly completed Application for Conversion and the Letter of Authorization to the CDS and the payment consideration is not received before 4.30 p.m. on 12th July 2021 (i.e. the last date of receipt of Application for Conversion) to P W Corporate Secretarial (Pvt) Ltd, Registrars to the Issue, No. 3/17, Kynsey Road, Colombo 08, the right to convert up to 50% of your Type 'A' Debentures to which you are entitled to will be deemed to have been declined and will be treated as canceled.
- (viii) **Completed applications [originals or scanned copies (via e-mail)] along with the payment or proof of payment [originals or scanned copies (via e-mail)] should be submitted to the Registrars during office hours i.e. Monday to Friday between 8.30 a.m. to 4.30 p.m. (either physically or via e-mail). Please note that applications forwarded via post and courier too should reach the Registrars by the closing date and any application received after the said date will be rejected even though they carry a postmark dated prior to the closing date.**
- (ix) All correspondence in this regard should be addressed to the **Registrars, P W Corporate Secretarial (Pvt) Ltd** at No.3/17, Kynsey Road, Colombo 08 with the top left-hand corner of the envelope marked **"BOGAWANTALAWA TEA ESTATES PLC – DEBENTURE ISSUE 2019"** or via e-mail btdeb.pwcs@gmail.com

IMPORTANT – Completed Application for Conversion together with the Letter of Authorization to the CDS, may be scanned & e-mailed to the Registrars to the Issue on btdeb.pwcs@gmail.com, together with proof of payment by scanning & emailing – Bank Deposit Slips / Online Fund Transfer Advice.

The new shares will commence trading on **27th July 2021.**

**By Order of the Board
Bogawantalawa Tea Estates PLC
P W Corporate Secretarial (Pvt) Ltd**



**Anusha Wijesekara
Secretaries / Registrars**

On this 18th day of June 2021