

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 BROWNS POWER HOLDINGS (PRIVATE) LIMITED (FULLY OWNED SUBSIDIARY OF BROWN INVESTMENTS PLC) TO PURCHASE 4,640,593 ORDINARY SHARES OF HAPUGASTENNE PLANTATIONS PLC

1. BACKGROUND TO THE OFFER

Pursuant to a Transaction Agreement entered into on 22nd December, 2021, with James Finlay Limited (as disclosed to the market on 23rd December, 2021), read together with a further announcement made on 27th December 2021, **BROWNS POWER HOLDINGS (PRIVATE) LIMITED (FULLY OWNED SUBSIDIARY OF BROWN INVESTMENTS PLC)**, bearing Company Registration No. PV 70021 and having its Registered Office at No.19, Dudley Senanayake Mawatha, Colombo – 8 (hereinafter referred to as the **Offeror**) acquired, on 27th December 2021, on the Trading Floor of the Colombo Stock Exchange (CSE), 41,680,942 ordinary shares in **Hapugastenne Plantations PLC** (hereinafter referred to as the **Offeree**), constituting approximately 89.98% of the total number of shares in issue in Offeree at a price of Rs. 28/30 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 4,640,593 ordinary shares carrying voting rights of the Offeree at a price of Rs.28/30 per share.

Rs.28/30 is the highest price paid by the Offeror for a share of the Offeree during the period of one year immediately prior to 27th December 2021. [There are no parties acting in concert with the Offeror]

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, 4,640,593 ordinary shares, at a price of Rs. 28/30 per share, being the price at which the Offeror acquired the shares of the Offeree on 27th December 2021, which is the highest price paid by the Offeror, during the period from 26th December 2020 to 27th December 2021, for a share of the Offeree. [There are no parties acting in concert with the Offeror]

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 as a limited liability company on 19th November 2011 under the Companies Act No.7 of 2007.

The Registered Office of the Offeror is situated at No.19, Dudley Senanayake Mawatha, Colombo 8

The Directors of the Offeror are:

Kithsiri Gunawardena
Kamantha Amarasekera

The Stated Capital of the Offeror is Rs 100,000,000 represented by 100,000,000 Ordinary Voting Shares.

The principal activities of the Offeror are engaging in investments.

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 | 41,680,942 |
| (bb) | The number of Offeree shares owned or controlled by any person acting in concert with the Offeror | None |
| (cc) | The number of Offeree shares in respect of which the Offeror has received an undertaking by any shareholder to accept the Offer | None |

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

Browns Power Holdings (Private) Limited


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Director


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Director

Dated this 31st day of December 2021