



31st December 2024

Mr. Renuke Wijayawardhane
Chief Regulatory officer
Colombo Stock Exchange
#04-01, West Block
World Trade Centre, Echelon Square
Colombo 01

Dear Sir,

CORPORATE DISCLOSURE – STRATEGIC SALE OF RAINFOREST TEA FACTORY (PVT) LTD TO STRENGTHEN BALANCE SHEET AND DRIVE FUTURE GROWTH IN LEISURE SECTOR

In terms of Section 8 of the Listing Rules of the Colombo Stock Exchange, Hunas Holdings PLC is pleased to announce the sale of its Subsidiary Rainforest Tea Factory (Pvt) Ltd for a total consideration of Rs.1.215 billion, consisting of approximately Rs.256 million in cash proceeds and the transfer of approximately Rs.960 million in associated debt liabilities.

The disposal of Rainforest Tea Factory (Pvt) Ltd represents a strategic milestone in the company's focused expansion into the thriving leisure sector. This divestment aligns with medium- to long-term value creation to all stakeholders, whilst enabling a financial restructuring that will strengthen the group's balance sheet enhancing its financial resilience. The transaction also sharpens the company's focus on core growth areas, optimizes resource allocation, and positions the business for sustained value creation.

Rainforest Tea Factory (Pvt) Ltd is a subsidiary of Hunas Holdings PLC with a shareholding of 90%. The said shares of Rainforest Tea Factory (Pvt) Ltd is sold to Mr. Nanayakkara Appuge Udayanga Ranmal, (80%) & Mrs. Rupasinghe Arachchige Nelka Rupasinghe (10%).

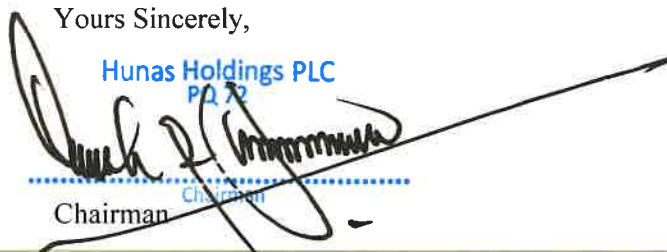
Valuation of Rainforest Tea Factory (Pvt) Ltd

The Board has obtained an independent valuation report from Mr. G.W.G. Abeygunawardene FRICS (Chartered Valuation Surveyor) dated 02nd August 2024 to derive an independent opinion on the valuation that is being considered for the sale. The valuation of Rainforest Tea Factory (Pvt) Ltd is estimated at LKR 740.5 million.

Effective Date of Transaction

The transfer of shares and completion of the transaction is expected to occur on or before the 31st of January 2025.

Yours Sincerely,


Hunas Holdings PLC
PQ 72
Chairman

