

OFFER DOCUMENT

MANDATORY OFFER BY

LANKA REALTY INVESTMENTS PLC
(Company No. PQ 139)

**TO PURCHASE 45,759,037
ORDINARY SHARES OF**

ON'ALLY HOLDINGS PLC
(Company No. PQ 107)

Managers & Registrars to the Offer



P W Corporate Secretarial (Pvt) Ltd
(Company No. PV 65966)
No. 3/17, Kynsey Road
Colombo 08

THIS DOCUMENT IS IMPORTANT AND WARRANTS YOUR IMMEDIATE AND CAREFUL CONSIDERATION. If you are in any doubt as to the action you should take, you should seek advice from your stockbroker, bank manager, legal adviser, accountant or other independent professional financial adviser immediately.

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This Offer is made as per the terms of the Company Takeovers and Mergers Code 1995 (as amended in 2003) (Code) and this document has been prepared in accordance with the provisions of the said Code.

If you have sold or otherwise transferred all your shares in On'ally Holdings PLC please send this document and the accompanying Form of Acceptance to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The procedure for acceptance is set out in Clauses 4 and 5 of this document and in the accompanying Form of Acceptance. The Form of Acceptance and related documents should be returned to the Managers and Registrars to the Offer, P W Corporate Secretarial (Pvt) Ltd, No. 3/17, Kynsey Road, Colombo 08, Sri Lanka to be received by them not later than 4.30 p.m. on 1st January, 2021 being the closing date of the Offer or such later date (subject to the SEC's approval) as may be announced.

If you have any queries with regard to the completion of the Form of Acceptance or other documents, please contact Ms. Shashikala de Mel at P W Corporate Secretarial (Pvt) Ltd Tel. 4640360-3.

THE SECURITIES & EXCHANGE COMMISSION OF SRI LANKA HAS TAKEN REASONABLE CARE TO ENSURE FULL AND FAIR DISCLOSURE OF INFORMATION IN THIS OFFER DOCUMENT AS REQUIRED BY THE COMPANY TAKE-OVERS AND MERGERS CODE 1995 (AS AMENDED IN 2003). HOWEVER THE COMMISSION ASSUMES NO RESPONSIBILITY FOR ACCURACY OF THE STATEMENTS MADE, OPINIONS EXPRESSED OR REPORTS INCLUDED IN THIS OFFER DOCUMENT.

"Shareholders of On'ally Holdings PLC are reminded that the Board of On'ally Holdings PLC is obliged to communicate to every shareholder its views, comments and advice on the Offer Document together with the advice given to it by the independent adviser within fourteen (14) days of receipt of the Offer Document as stipulated under Rules 12 and 13 of the Code. Shareholders are therefore advised to await the receipt of such a communication in order to enable a decision to be made on the merits and demerits of the Offer."

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DEFINITIONS

The following definitions apply throughout this document and the accompanying Form of Acceptance unless the context otherwise requires:

Acting in Concert	means an individual or a company and their nominees who, pursuant to an agreement or understanding [whether formal or informal] actively co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate control of that company and include the following: [a] a company, its parent company, any subsidiary company and any subsidiary of any such subsidiary company, and any company in which such parent or subsidiary company owns or controls twenty per centum or more of the equity shares of that company, and any company in which twenty per centum or more of the equity shares are owned by the last-mentioned company, each with the other, [b] a company with any of its directors [together with their close relations and trusts established to hold the interest of such directors or close relations]; [c] a company with any of its pension funds.
CDS	Central Depository Systems (Private) Limited
Code	The Company Take-overs and Mergers Code 1995 (as amended in 2003).
Closing Date	1 st January, 2021
CSE	Colombo Stock Exchange
Form of Acceptance	The Form of Acceptance which accompanies this document as Appendix II
LPD	Last Practicable Date – 10 th December, 2020
Offer	Mandatory Offer by the Offeror to purchase 45,759,037 shares of the Offeree which shall include any revision or variation or extension thereto.
Offer Period	the period commencing on the date on which the Offer Document is forwarded to the shareholders of On'ally Holdings PLC and ending on the closing date of the Offer (i.e. from 12 th December, 2020 to 1 st January, 2021).
Offer Price	Rs. 30/20 per share of On'ally Holdings PLC
Offeror	Lanka Realty Investments PLC
Offeree	On'ally Holdings PLC
Recent Director	shall mean any person who had ceased to be a member of the Board of Directors during the preceding six months
Recent Shareholder	shall mean any shareholder who has ceased to be a shareholder during the preceding six months.

SEC

Securities and Exchange Commission of Sri Lanka

Unconditional as to
acceptances

The Offeror must accept and pay for all shares tendered at the Offer Price
while the shareholders of Offeree lose their right to withdraw the shares.

Lanka Realty Investments PLC
Company No. PQ 139
1st Floor, HQ Colombo, 464A
T B Jayah Mawatha, Colombo 10, Sri Lanka

11th December 2020

To: The Shareholders of On'ally Holdings PLC

**MANDATORY OFFER BY LANKA REALTY INVESTMENTS PLC TO PURCHASE 45,759,037
ORDINARY SHARES OF ON'ALLY HOLDINGS PLC**

1. BACKGROUND TO THE OFFER

Lanka Realty Investments PLC, bearing Company Registration No. PQ 139 and having its Registered Office at 1st Floor, HQ Colombo, 464A, T B Jayah Mawatha, Colombo 10, Sri Lanka (hereinafter referred to as the **Offeror**) acquired, on 3rd December 2020, on the Trading Floor of the Colombo Stock Exchange (CSE), 47,244,050 ordinary shares in **On'ally Holdings PLC** (hereinafter referred to as the **Offeree**), constituting approximately 50.8% of the total number of shares in issue in Offeree at a price of Rs. 30/20 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 45,759,037 ordinary shares carrying voting rights of the Offeree at a price of Rs.30/20 per share.

M H Jamaldeen, a Director of the Offeror, holds 18,678 shares of the Offeree, acquired by him on 21st October 2020.

Rs.30/20 is the highest price paid by the Offeror and any party acting in concert with the Offeror [as set out in Clause 3.2.5 below] for a share of the Offeree during the period of one year immediately prior to 3rd 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. THE OFFER

The Offeror, offers to purchase from the shareholders of the Offeree, 45,759,037 ordinary shares, at a price of Rs. 30/20 per share, being the price at which the Offeror acquired the shares of the Offeree on 3rd December 2020, which is the highest price paid by the Offeror and any party acting in concert with the Offeror, during the period from 3rd December 2019 to 3rd 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.

Accordingly, the financial commitment required to meet acceptance in respect of ordinary shares under the Offer amounts to Rupees One Billion Three Hundred and Eighty One Million Nine Hundred and Twenty Two Thousand Nine Hundred and Seventeen (Rs.1,381,922,917/-).

The ordinary voting shares, under the Offer, will be acquired together with all rights now and hereafter attaching thereto, including the right to receive dividends and other distributions declared, paid or made after such acquisition but excluding liens, charges, encumbrances, equities, rights of pre-emption and any other third party rights of whatsoever nature and howsoever arising.

Acceptance should be dispatched as soon as possible and, in any event, so as to be received by the Managers and Registrars to the Offer, P W Corporate Secretarial (Pvt) Ltd No. 3/17, Kynsey Road, Colombo 08, Sri Lanka not later than 4.30 p.m. on 1st January, 2021. Instructions in regard to the acceptance of the Offer are set out in Clauses 4 and 5 herein and in the Form of Acceptance (Appendix II). If you have any queries as to the completion of the Form of Acceptance, please contact the Managers and Registrars to the Offer, P W Corporate Secretarial (Pvt) Ltd on Telephone Nos. 4640360-3 for assistance.

3. INFORMATION ON THE OFFEROR

3.1.1 Brief Profile and Principal Activities

The Offeror was incorporated as a limited liability company under the name 'Asian Cotton Mills Limited' on 29th November 1967 under the Companies Ordinance No. 51 of 1938. It was re-registered under the new Companies Act No. 07 of 2007 as 'Asian Cotton Mills PLC' on 16th April 2008, under Company No. PQ 139.

The name of the Offeror was changed to 'Ascot Holdings PLC' on 16th October 2008 and changed as 'Lanka Realty Investments PLC' on 19th September 2018.

The Registered Office of the Offeror is situated at 1st Floor, HQ Colombo, 464A, T B Jayah Mawatha, Colombo 10, Sri Lanka.

The Stated Capital of the Offeror is Rs.7,048,662,670/90 represented by 211,370,428 Shares.

The principal activities of the Offeror are owning and managing a portfolio of investments in property development, commercial property, affordable housing, manufacturing, tourism and leisure, which together constitute the LRI Group.

The said investments are :

- (i) 100% of the issued shares of Lanka Realty Developments (Pvt) Ltd which is engaged in the business of commercial property development.
- (ii) 80% of the issued shares of Amtrad Limited which operates in the manufacturing and selling of cement/concrete building blocks and paving blocks.
- (iii) 100% of the issued shares of L & A Quarries (Private) Limited which was in the business of operating crusher plants. Currently, the said company is not in business.
- (iv) 100% of the issued shares of Lanka Realty Leisure (Pvt) Ltd. This company holds leasehold rights of a land in Yala, which is to be developed as a Hotel property.
- (v) 100% of the issued shares of Lanka Realty Ambalangoda (Pvt) Ltd which holds leasehold rights of a property in Ambalangoda to be developed as a Hotel property.
- (vi) 100% of the issued shares of Baseline Holdings (Pvt) Ltd which is engaged in the business of residential property development in Colombo 09.

- (vii) 100% of the issue shares of Alexandra Holdings (Pvt) Ltd which owns six townhouses and which have been converted into villas.
- (viii) 100% of the issued shares of 285 Darley Road (Pvt) Ltd which is engaged in the business of residential property development in Colombo 10.
- (ix) 100% of the issued shares of Mulberry Holdings (Pvt) Ltd which is engaged in the business of residential property development in Colombo 10.
- (x) 100% of the issued shares of Thudella Holdings (Pvt) Ltd which is engaged in the business of residential property development in Ja-Ela.
- (xi) 100% of the issued shares of Almond Trees (Pvt) Ltd which owns a property each in Weligama and Ahangama operated as leisure properties.

3.1.2 Directors

R M M J Ratnayake	Chairman/ Independent Director
T C Smith	Non-Executive Director
I J McVeigh	Non-Executive Director
M H Jamaldeen	Executive Director
A J B Warman	Executive Director
S Neelakandan	Independent Director
M F Farook	Independent Director
K J Pradeep	Non-Executive Director
P Morgan	Non-Executive Director

3.1.3 Financial Information

Income Statement (Consolidated)

	FY ended 31 st March 2018 (audited) (Rs.)		FY ended 31 st March 2019 (audited) (Rs.)		FY ended 31 st March 2020 (audited) (Rs.)		3 months ended 30 th June 2020 (unaudited) (Rs.)		6 months ended 30 th September 2020 (unaudited) (Rs.)	
	Group	Company	Group	Company	Group	Company	Group	Company	Group	Company
Turnover	146,122,663	16,530,444	149,355,356	13,990,974	203,901,916	37,032,728	20,801,350	18,180,121	58,643,163	40,878,641
Net Profit /Loss before tax	269,662,650	(12,629,999)	15,540,472	(10,906,334)	762,328,156	(28,305,157)	(99,036,826)	74,945	(182,616,188)	16,869,947
Net Profit /Loss after tax	235,486,540	(13,312,422)	3,639,304	(11,057,672)	609,885,409	(28,344,507)	(98,959,048)	74,945	(182,459,633)	16,869,947
Earnings per share before tax	21.30	(1.00)	0.57	(0.40)	5.55	(0.21)	(0.47)	0.00	(0.86)	0.08
Earnings per share after tax	18.26	(1.05)	0.15	(0.41)	4.48	(0.21)	(0.47)	0.00	(0.86)	0.08
Dividend per share	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Statement of the Assets and Liabilities shown in the latest Audited Financial Statements

	FY ended 31st March 2020 (audited) (Rs.)	
	Group	Company
Assets		
Non-Current Assets	9,993,044,979	6,682,346,846
Current Assets	1,600,914,393	600,602,209
Total Assets	11,593,959,372	7,282,949,055
Equity and Liabilities		
Stated Capital	6,380,094,108	6,380,094,108
Reserves	1,676,293,713	300,221,081
Non-Controlling Interest	33,273,455	-
Total Equity	8,089,661,276	6,680,315,189
Non-Current Liabilities	2,739,853,941	580,148,768
Current Liabilities	764,444,155	22,485,098
Total Liabilities	2,816,298,096	602,633,866
Total Equity and Liabilities	11,593,959,372	7,282,949,055

Except for the above, there are no publicly known material changes in the financial position of the Offeror since the publication of its last Audited Financial Statements.

The following disclosures / announcements were made by the Offeror since the last Audited Financial Statements published on 10th August 2020:

Date	Subject
07.10.2020	Disclosure under Section 7.13.2 (non compliance with the minimum public holding)
08.12.2020	Mandatory Offer to purchase 45,759,037 shares of On'ally Holdings PLC

3.2 Statutory Disclosures

3.2.1 The shareholding of the Offeror in Offeree;

The Offeror holds 47,244,050 shares constituting 50.8% of the Offeree.

3.2.2 the shareholding in Offeree in which the Directors of the Offeror have an interest as at date:

M H Jamaldeen, a Director of the Offeror holds 18,678 shares of the Offeree acquired by him on 21st October 2020.

3.2.3 The shareholding in Offeree in which any person acting in concert with the Offeror owns or controls:

M H Jamaldeen, a Director of the Offeror, holds 18,678 shares of the Offeree.

3.2.4 The shareholding in Offeree owned or controlled by any person who, prior to the posting of the Offer Document, has made an irrevocable commitment to accept the offer:

None.

- 3.2.5 Dealings in shares for value by the Offeror and any party acting in concert with the Offeror during the period commencing from 3rd December 2019 and ending on the Last Practicable Date:

The Offeror acquired 47,244,050 shares on 3rd December 2020 at Rs.30/20 per share.

M H Jamaldeen, a Director of the Offeror acquired 18,678 shares on 21st October 2020 between the prices Rs.29/50 to Rs.30/- per share

- 3.2.6 Statements to be given by the Offeror in terms of the Code;

- (a) No agreement, arrangement or understanding exists between the Offeror and any director or recent director, shareholder or recent shareholder of the Offeree having any connection with the Offer, except that, S V Rajiayh, Palitha Gunathilake and B V Selvanayagam, recent Directors of the Offeree, are also Directors of Renuka Capital PLC. Renuka Capital PLC is the party who sold the 47,244,050 shares to the Offeror.
- (b) No shares acquired in pursuance of this Offer will be transferred to any other person.
- (c) Settlement of the consideration to which any shareholder is entitled under this Offer will be implemented in full in accordance with the terms of the Offer without having regard to any lien, right of set off, counter claim or other analogous rights to which the Offeror may otherwise be or claim to be entitled to against such shareholder.
- (d) The intention of the Offeror is to continue operations of the Offeree company as a going concern. As an initial step, the Offeror intends to work towards, improving / value adding to the existing commercial building of the Offeree.
- (e) Whilst the Offeror does not intend to implement any major changes to the business of the Offeree, as set out in (d) above, the Offeror proposes to work towards the re-deployment of the fixed assets of the Offeree to achieve improvement / value addition thereto.
- (f) The long-term commercial justification for the proposed Offer;
 - The Offeror is of view that the existing assets of the Offeree are under-utilized. The long term objective is to aggressively asset manage the existing assets and to improve the commercial operations of the Offeree.
 - Resulting from the acquisition by the Offeror of 50.8% of the Offeree, it became obligated on the part of the Offeror, to make a Mandatory Offer to purchase the balance shares of the Offeree in terms of the Code.
- (g) The Offeror does not intend terminating the services of any employees of the Offeree.
- (h) In terms of a Technical Services Agreement entered into between the Offeror and Steradian Capital Investments (Private) Limited (SCI) effective from 25th October 2017, the Offeror agreed with SCI, that during the term set out in the said Agreement, SCI shall provide Technical Services in relation to the properties held by the investee companies of the Offeror in consideration of the following:
 - (i) Fees:

Asset Management Fee of 2.5% per annum on the net asset value of the Offeror's holding in the investee companies, as recorded as at the year end audited accounts of the Offeror duly published on the CSE. Such fee to be charged quarterly in arrears.

(ii) General Technical Services:

General Technical Services shall include carrying out with due care and attention, the administration of financial and legal matters, including, the management of acquisitions and disposals together with the letting of existing or new properties and renewal of existing leases as well as the instruction of architects, surveyors, quantitative surveyors, bank financiers, agents, attorneys at law, insurance companies, obtaining quotations and implement new or revised policies and other professionals necessary to administer the properties and management of manufacturing plants.

T C Smith, I J McVeigh, M H Jamaldeen, A J B Warman and P Morgan, Directors of the Offeror are also Directors of SCI. Consequently, except to the extent of the Technical Services Fee referred to above, none of the Offeror's Directors emoluments will be affected by the acquisition of the Offeree.

4. TERMS OF THE OFFER

4.1. Date of the Offer

The Offer is made on 11th December, 2020 and will be kept open for a period of 21 days from the date the Offer Document is posted to the shareholders of Offeree. Copies of this Offer Document, the Form of Acceptance, Transfer Form and related documents are available with the Managers and Registrars to the Offer, P W Corporate Secretarial (Pvt) Ltd. 3/17, Kynsey Road, Colombo 08, Sri Lanka.

4.2. 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 set out in Clause 5 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*”

4.3. Acceptance Period

- (a) The Offer will initially be open for acceptance until 1st January 2021 but may be extended subject to paragraph (c) below. Although no revision is envisaged, if the Offer is revised it will remain open for acceptance for a period of at least 14 days from the date on which written notification of a revision is posted to the shareholders of the Offeree. Where the Offer is revised, all shareholders who accepted the initial Offer will receive the revised consideration.
- (b) The Offer may, with the approval of the SEC, be extended beyond the sixtieth day after the date on which the Offer Document is forwarded to the Offeree's shareholders, if a competing offer has been made or announced.

- (c) If an extension of the Offer has been granted by the SEC pursuant to paragraph (b) above the Offeror will inform Offeree's shareholders of the next expiry date of the Offer.

4.4 Announcements

By 4.30 p.m. on the market day immediately following the day on which the Offer expires or is revised or extended, the Offeror will issue a statement to the CSE specifying whether the Offer has expired, or has been revised or extended and will also state the total number of Offeree shares (as nearly as practicable) –

- (i) for which acceptances of the Offer have been received,
- (ii) held before the Offer Period and,
- (iii) acquired or agreed to be acquired during the Offer Period,

and will specify the percentage of Offeree shares represented by these figures. The Offeror will simultaneously request the CSE to make an announcement to that effect on the Trading Floor.

If the Offeror fails to make the required announcement as stated above, a shareholder shall be entitled to withdraw his acceptance immediately.

4.5 Non Resident Shareholders of Offeree

Offeree shareholders who are not residents of Sri Lanka and who are citizens, residents or nationals of other countries should take into consideration their jurisdiction and any laws directly related thereto. The Offeror will not be responsible for any statutory or other approvals that may be necessary in the event of such persons accepting the Offer.

Non Resident shareholders of the Offeree should also indicate details of their Inward Investment Account (IIA) [formerly known as Securities Investment Account (SIA) / Share Investment External Rupee Account (SIERA)] to which the purchase proceeds are to be remitted in the cages provided for such information, together with confirmation that the shares accepted/tendered for sale were purchased from proceeds channelled through their Inward Investment Account (IIA) [formerly known as Securities Investment Account (SIA) / Share Investment External Rupee Account (SIERA)]

4.6 General Information relating to the Offer

- (a) The terms, provisions, instructions and authorities contained in or deemed to be incorporated in the Form of Acceptance constitute part of the terms of the Offer. Words and expressions defined in this document have the same meanings when used in the Form of Acceptance unless the context otherwise requires.
- (b) No acknowledgement of receipt of any Form of Acceptance, Share Transfer Form, share certificate(s) or other document(s) will be given by or on behalf of the Offeror.
- (c) All communications, notices, certificates, other documents and remittances to be sent to Offeree shareholders will be so sent (or their designated agents) at their (Offeree shareholders') risk.
- (d) The Offer and all acceptances thereof or pursuant thereto and the relevant Form of Acceptance, Form of Transfer, Letter of Authorisation to CDS and all contracts made pursuant thereto and action taken or made or deemed to be taken or made under any of the foregoing shall be governed by and construed in accordance with the Laws of Sri Lanka.

Execution by or on behalf of an Offeree shareholder of a Form of Acceptance will constitute his submission, in relation to all matters arising out of or in connection with the Offer and the Form of Acceptance, Form of Transfer, Letter of Authorisation to CDS to the jurisdiction of the Courts of Sri Lanka.

- (e) Any failure to receive the duly dispatched documents by any person to whom the Offer is made or should be made, shall not invalidate the Offer in any way.

5. PROCEDURE FOR ACCEPTANCE OF THE OFFER

The following procedure should be followed in the event you decide to accept the Offer.

5.1 To accept the Offer

To accept the Offer you must complete the Form of Acceptance (Appendix II) in accordance with the instructions printed thereon in the presence of a witness who should also sign and return the Form of Acceptance **together with the related documents** in accordance with the procedure set out in Clause 5.2 below to be received by the Managers and Registrars, P W Corporate Secretarial (Pvt) Ltd not later than 4.30 p.m. on 1st January, 2021.

5.2 Return of Form of Acceptance

- (i) If your On'ally Holdings PLC shares **are not deposited** with the CDS;

The completed and signed Form of Acceptance (Appendix II) and the Transfer Form (Appendix III) signed by you as transferor with your signature duly witnessed together with the relative share certificate(s) and/or other document(s) of title or otherwise as hereinafter set out should be returned by post or by hand to the Managers and Registrars, P W Corporate Secretarial (Pvt) Ltd not later than 4.30 p.m. on 1st January, 2021.

- (ii) If your On'ally Holdings PLC shares **are deposited** with the CDS and you wish to effect the transfer through the CDS;

The completed and signed Form of Acceptance (Appendix II) and the Letter of Authorisation (Appendix IV) addressed to the CDS duly completed and signed with your signature witnessed thereon, should be returned through **your stockbroker** to the Managers and Registrars, P W Corporate Secretarial (Pvt) Ltd not later than 4.30 p.m. on 1st January, 2021.

- (iii) If you hold On'ally Holdings PLC shares in more than one CDS Account, please use separate Forms of Acceptance and Letters of Authorisation to CDS for each account held. You may use photocopies of the forms provided for this purpose.

5.3 Document(s) signed under Power of Attorney

If any document is signed under a Power of Attorney (POA), the POA should be registered with the Company Secretary of On'ally Holdings PLC. A copy thereof duly certified by a Notary Public should be sent together with the Form/s of Acceptance.

5.4 Document(s) of Title not readily available or lost

If for any reason, the relevant share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should nevertheless complete, sign and return the Form of Acceptance and the Transfer Form as stated above so as to be received by the Managers and Registrars, P W Corporate Secretarial (Pvt) Ltd, No. 3/17, Kynsey Road, Colombo 08 not later than 4.30 p.m. on 1st January, 2021.

Such shareholders shall also complete Appendix V - Letter of Indemnity and an Affidavit as per Appendix VI and forward same together with the Form of Acceptance to the Managers and Registrars, P W Corporate Secretarial (Pvt) Ltd to facilitate the issue of a duplicate certificate for processing of the Acceptance.

In the case of deceased shareholders, their legal representatives are to contact the Managers and Registrars to the Offer immediately for information regarding the documents to be forwarded to constitute a valid acceptance of the Offer.

5.5 Validity of Acceptances

The Offeror reserves the right, subject to the terms of the Offer and the Code, to treat as valid any acceptance of the Offer which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In that event, the consideration under the Offer will not be paid until the share certificate(s) and/or other document(s) of title or indemnities satisfactory to the Offeror are received.

6. SETTLEMENT

The consideration to which any Offeree shareholder is entitled to under the Offer shall be sent by registered mail to such shareholder (in case of Non Resident shareholders who have provided details of their IIA, to the relevant Banks) as soon as practicable and in any case not later than twenty one days after the receipt of valid acceptance.

Payments to Offeree shareholders on acceptances which are not entirely in order and which have been treated as valid by the Offeror under the provisions of Clause 5.5 above will not be made until the share certificate(s) and/or other document(s) of title or indemnities satisfactory to the Offeror are received.

Payments will be made by Bankers Draft crossed "**account payee only**". In the case of joint shareholders, Bankers Drafts will be drawn in favour of the first shareholder as appearing in the Share Certificate(s) or other document(s) of title and/or the Form of Acceptance.

Settlement of the consideration to which any Offeree shareholder is entitled to under the Offer will be implemented in full, in accordance with the terms of the Offer, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be or claim to be, entitled as against such Offeree shareholder.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the documents listed below will be available for inspection at the office of the Company Secretaries of the Offeror, Lanka Realty Investments PLC – P W Corporate Secretarial (Pvt) Ltd during normal business hours on any working day, at No.3/17, Kynsey Road, Colombo 08, Sri Lanka while the Offer remains open for acceptance.

- (a) The Articles of Association of the Offeror.
- (b) The latest list of Directors of the Offeror.
- (c) This document and the Appendices set out below;

Appendix I	Confirmations by the Bank
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Appendix VI	Format of Affidavit

8. DECLARATION BY THE OFFEROR

We, the undersigned being two Directors of the Offeror - Lanka Realty Investments PLC, whose names appear in Clause 3.1.2 hereof as Directors of the Offeror, do hereby declare and confirm as authorised by the Board of the Offeror, that the Board of the Offeror, approves the Offer Document, and collectively and individually accept full responsibility for the completeness and accuracy of the information contained in the Offer Document and confirm that to the best of their knowledge and belief that there are no other facts, the omission of which would make any statement herein misleading in any material respect.

By order of the Board of

LANKA REALTY INVESTMENTS PLC



M H Jamaldeen
Director



A J B Warman
Director

This 11th day of December, 2020

**CONFIRMATION BY NATIONS TRUST BANK AS TO THE AVAILABILITY OF
RESOURCES TO SATISFY ACCEPTANCE OF THE OFFER**



04th December 2020

Director General
Securities and Exchange Commission of Sri Lanka
Level 28-29, East Tower
World Trade Centre
Colombo 01

Dear Sir,

Confirmation of Line of Credit available to Lanka Realty Investments PLC

**Proposed acquisition of On'ally Holdings PLC shares by Lanka Realty Investments PLC on a
Mandatory Offer**

In accordance with Rule 31(5) read together with Rule 31(1A)(1) of the Company Take-overs and Mergers Code 1995 (as amended), we, Nations Trust Bank PLC, bearing registration No. PQ 118 and having its registered office at 242, Union Place Colombo 2, hereby confirm that we have approved a standby line of credit amounting to a limit of Rs. 1,400,000,000/- on account of Lanka Realty Investments PLC (registration number PQ 139) of HQ Colombo, 1st Floor, No. 464A, T.B. Jayah Mawatha, Colombo 10, to meet its financial commitments in acceptance of the above mentioned mandatory offer.

This confirmation shall be in force until the payment is made to the shareholders who accept the mandatory offer.

This letter is issued at the request of our client, Lanka Realty Investments PLC.

Yours faithfully,
Nations Trust Bank PLC
PQ 118

Lakshan Wanniarachchi
Assistant Vice President
Structure Finance & Institutional Banking

Senal Seneviratne
Executive Vice President
Corporate Banking

FORM OF ACCEPTANCE

To be completed by the Shareholders of On'ally Holdings PLC who wish to accept the Mandatory Offer by Lanka Realty Investments PLC for shares in On'ally Holdings PLC

1. I/We the undersigned, hereby accept the Offer made by the Offeror in terms of their Offer Document dated 11th December, 2020 in respect of On'ally Holdings PLC shares [here indicate the total number of shares you wish to sell] belonging to me/us (and registered in the manner set out below) against payment to me/us of Rs.30/20 for every On'ally Holdings PLC share above referred to.

2. My/our full name(s), address(es) and National Identity Card/Passport No.(s)/Company Registration No.(s) are given below :

(a) First named/only holder

Full name :

National Identity Card/Passport/Company Registration No. :

Address :

Telephone No:

(b) Other joint holders, if any -

Full name :

National Identity Card/Passport/Company Registration No. :

Address :

Telephone No:

Full name :

National Identity Card/Passport/Company Registration No. :

Address :

Telephone No:

3. For the purposes of the Regulations made under the Foreign Exchange Act No.12 of 2017, I/We hereby declare that (please tick as is applicable to you).

☐

- (i) I am a/We are citizen(s) of Sri Lanka, resident in Sri Lanka or a Private/Public Company /Corporation incorporated in Sri Lanka

☐

- (ii) I am a/We are citizen(s) of Sri Lanka, resident outside Sri Lanka or non citizen of Sri Lanka or a Company/Corporation incorporated outside Sri Lanka. I/We give below details of the Principal Shareholder's Inward Investment Account (IIA) [formerly known as Securities Investment Account (SIA) / Share Investment External Rupee Account (SIERA)] to which the payment due to me /us should be deposited;

(a)Name and Branch of Bank

(b)Account

[Appendix II – Contd.....]

- ☐ (iii) I/We further confirm that the shares accepted/tendered for sale were purchased from proceeds channelled through the aforesaid Inward Investment Account (IIA) [formerly known as Securities Investment Account (SIA) / Share Investment External Rupee Account (SIERA)].

4. The aforesaid On'ally Holdings PLC shares [set out in paragraph '1'] belonging to me/us are held by me/us as follows:-

**Number of On'ally Holdings PLC shares registered in the Company share ledger in my/our name (s)	Number of On'ally Holdings PLC shares lodged with CDS	Total number of shares

****Shares held in scrip form/in the form of share certificates.**

5. The payment in respect of my/our On'ally Holdings PLC shares above referred to shall be made by Banker's Draft crossed 'Account Payee only' and posted to the address given in 2(a) above. (In case of Non Resident shareholders who have provided details of their Inward Investment Account (IIA) [formerly known as Securities Investment Account (SIA) / Share Investment External Rupee Account (SIERA)], will be remitted to the relevant Banks)

Yours faithfully,

Signed by the above named in the presence of

(a).....
This..... day of

(b).....
This..... day of

(c).....
This.... day of

Signature of First/only holder
and date of such signature
in the presence of

Signature of First/Joint holder
and date of such signature
in the presence of

Signature of Second Joint holder
and date of such signature
in the presence of

.....
Signature of Witness

.....
Signature of Witness

.....
Signature of Witness

.....
.....
.....
Name and Address of Witness

.....
.....
.....
Name and Address of Witness

.....
.....
.....
Name and Address of Witness

Instructions as to completion of the Form of Acceptance

1. In the space provided in paragraph 1, please fill the number of On'ally Holdings PLC shares in respect of which you wish to accept the offer
2. The full names, National Identity Card/Passport/Company Registration numbers and addresses of all the shareholders should be given in the space(s) provided.
3. The declaration to be completed by each On'ally Holdings PLC shareholder for the purposes of the Regulations made under Foreign Exchange Act No.12 of 2017, and set out in paragraph 3 of the Form of Acceptance should be completed by deleting whichever is inapplicable. A person who is unable to make such declaration should contact the Managers and Registrars to the Offer who would advise such person to obtain the necessary permission from the Director, Department of Foreign Exchange, Central Bank of Sri Lanka established by the Monetary Law Act.
4. Each shareholder must sign the Form of Acceptance in the presence of a witness who is not another joint holder and the witness must also sign and state his/her name and address in the space(s) provided. In the case of joint shareholders, all shareholders should sign the Form of Acceptance.
5. In the case of a corporate shareholder, the Form of Acceptance should be signed in accordance with the Articles of Association / Statute.
6. If the Form of Acceptance is signed under a Power of Attorney, the Original Power of Attorney or a copy thereof certified by an Attorney-at-Law should be sent to the Managers and Registrars together with the Form of Acceptance.

TRANSFER OF SHARES

To be completed by Shareholders of On'ally Holdings PLC whose shares are not deposited with the CDS

Name of Company : On'ally Holdings PLC

I/We.....
of (hereinafter
called the Transferor) in consideration of the payment to me/us of Rupees
..... (Rs.....) [calculated at Rs.30/20
per share] by Lanka Realty Investments PLC (hereinafter called the Transferee) do hereby transfer to the said
Transferee* shares in On'ally Holdings PLC standing in my/our name/s in the
books of the Company, to hold unto the said Transferee their successors and assigns subject to the several
conditions on which I/we hold the same; and we the said Transferee doth hereby agree to take the said shares
subject to the same conditions.

Signed by the above named Transferor/s (1)
on this day of
in the presence of (2)
(3)
TRANSFEROR/S signature(s)

(Signature of witness)
(Name of witness)
(Address of witness)
.....
(Occupation of Witness).....

NOTES : *1) Indicate such number of shares accepted by you as set out in the Form of Acceptance in
Appendix II

2) Please complete the Declaration set out below in compliance with the Regulations made under
the Foreign Exchange Act No.12 of 2017

**DECLARATION BY TRANSFEROR/S FOR THE PURPOSES OF THE FOREIGN EXCHANGE ACT
NO.12 OF 2017**

*I/we being the holder/(s) of the securities referred to in the above transfer hereby declare that :-

- ☐ (i) I am a/We are citizen(s) of Sri Lanka, resident in Sri Lanka or a Private/Public Company
/Corporation incorporated in Sri Lanka
- ☐ (ii) I am a/We are citizen(s) of Sri Lanka, resident outside Sri Lanka or non citizen(s) of Sri Lanka
or a Company/Corporation incorporated outside Sri Lanka. I/We give below details of the
Principal Shareholder's Inward Investment Account (IIA) [formerly known as Securities
Investment Account (SIA) / Share Investment External Rupee Account (SIERA)] to which
the payment due to me /us should be deposited;

(a) Name and Branch of Bank
(b) Account No.....

[Appendix III – Contd.....]

- ☐ (i) I/We further confirm that the shares accepted/tendered for sale were purchased from proceeds channelled through the aforesaid Inward Investment Account (IIA) [formerly known as Securities Investment Account (SIA) / Share Investment External Rupee Account (SIERA)].

.....
Transferor
(First/only Shareholder)

.....
Transferor
(First Joint Shareholder)

.....
Transferor
(Second Joint Shareholder)

* The inapplicable declaration should be deleted.

To be completed by the Transferee after the transfer form is returned to the Managers and Registrars

Signed by the above named Transferee under their emboss seal on this day of
in the presence of:

**DECLARATION BY TRANSFEE FOR THE PURPOSES OF THE FOREIGN EXCHANGE ACT
NO.12 OF 2017**

We, Lanka Realty Investments PLC being the Transferee of the shares referred to in the above transfer do hereby declare that, we are a Company incorporated under the Laws of Sri Lanka and that we are not acting as nominee/s for any person/s resident outside Sri Lanka

.....
Director

TRANSFEE

.....
Director

LETTER OF AUTHORISATION TO CDS

To be completed by the Shareholders of On'ally Holdings PLC whose shares are deposited with CDS.
 [This letter should be forwarded to the Managers and Registrars to the Offer. If you have more than one broker, kindly complete a separate form for each Broker. You may use photocopies of this Form for such purpose]

Date

The Manager
 Central Depository Systems (Private) Limited
 Colombo Stock Exchange
 #4-01, West Block
 World Trade Centre
 Echelon Square
 Colombo 1

Dear Sir

AUTHORITY TO TRANSFER SHARES DEPOSITED IN CDS

CDS Account No. - - -

Name of Broker -

Name of Company - **On'ally Holdings PLC**

*Number of Shares -

I/we write to advise you that I/we have decided to accept the Offer made by the Offeror through the Offer Document dated 11th December 2020 for purchase by the Offeror of Shares of On'ally Holdings PLC belonging to me/us and deposited with the Central Depository Systems (Private) Limited (CDS).

Note : * Indicate the same number of shares indicated by you in the Form of Acceptance – Appendix II

I/We accordingly authorize you at the request of the Managers and Registrars to the Offer, P W Corporate Secretarial (Pvt) Ltd, to reallocate the On'ally Holdings PLC shares credited to the above account, to the CDS Account No. NTB-1088-LC in the name of the Offeror.

Yours faithfully,

Name(s) of Shareholder(s)

Signature(s)

1		
2.		
3.		

[Appendix IV – Contd.....]

Authorisation of Broker

We hereby give consent to release/transfer the shares referred to above from the above client's CDS Account.

Name of Broker :

Name of Authorised Officer
& Designation :

Authorised Signature & Stamp :

Date :

NOTE :

Upon obtaining the Authorisation of the Broker, these documents should be forwarded to the Managers and Registrars, P W Corporate Secretarial (Pvt) Ltd through your Broker, who will forward same to the CDS.

To be attended to by the Managers and Registrars

Authorisation of Central Depository Systems (Private) Limited

Balance confirmed in CDS Account and shares are reserved for transfer.

.....
Authorised Signatory – CDS

Date :

INDEMNITY

To:
 The Board of Directors
 On'ally Holdings PLC
 Unit 603, 4th Floor,
 Unity Plaza Building,
 No.2, Galle Road,
 Colombo 04

Dear Sir

I/We.....the undersigned presently
 of.....
 do hereby request you to issue to me/us a Duplicate Share Certificate/s for the under mentioned ordinary (voting)
 shares registered, as at date, in *my/our* name in the Register of Shareholders of On'ally Holdings PLC, the
 original share certificates having being misplaced, destroyed or lost and in consideration of your so doing, I
 hereby agree and undertake to indemnify you and keep you indemnified and saved harmless at all times from and
 against all actions, fines, claims, demands, losses, damages, costs and expenses howsoever arising which may
 arise or be brought against, paid, incurred or sustained by you by reason of the said Share Certificate/s having
 been misplaced, destroyed or lost or by reason of or in consequence of your issuing to me a Duplicate Share
 Certificate/s for the said.....ordinary (voting) shares or otherwise howsoever.

I/We further agree and undertake that if the said share certificates shall hereafter be found, I/We shall deliver the
 same or cause the same to be delivered to you for no consideration whatsoever.

PARTICULARS OF THE SHARE CERTIFICATES

Certificate Number/s	Name of Shareholder	Number of Shares

Yours faithfully

.....

(Signature of Shareholder)

Full Name:

Address:

National Identity Card number (or Passport number) :

Dated this..... day of.....

Witness:

1 (Signature)

2 (Signature)

..... (Name & Address)

..... (Name & Address)

AFFIDAVIT

I/We.....
of.....
and.....of.....

in the Democratic Socialist Republic of Sri Lanka being Buddhist/Hindu/ Muslim* do hereby individually, solemnly sincerely and truly declare and affirm/ being Christian(s) make oath and swear*as follows :

- (1) I/We am/ are the affirmant/affirmants or the deponent/deponents above named.
- (2) I/We am / are the registered holder / holders of..... ordinary (voting) shares held upon Share Certificate number /s..... in On'ally Holdings PLC.
- (3) That to the best of my/our knowledge and belief the said original certificate/s has/have either been lost, misplaced or accidentally destroyed and that I have made and caused to be made a diligent search but have been unable to find the same.
- (4) That since the said Certificate was issued to me/us, I/we have not sold, pledged the said shares, or in any way parted with possession of the said Certificates and the said shares and Certificate/s is/are my/our absolute property.
- (5) I/We therefore request the Company to issue me/us with a duplicate of such share Certificate/s and in consideration of the Company doing so undertake to indemnify the Company against claims and demands (and any expense thereof) which may be made against the Company in complying with my/our request.
- (6) I/We hereby undertake further to furnish to the Company a Letter of Indemnity.

SIGNED AND AFFIRMED TO BY)
THE AFFIRMANTS*/ SIGNED AND)
SWORN TO BY THE DEONENTS*)
ABOVE NAMED AT)
ON THIS DAY OF.....)
TWO THOUSAND AND)

BEFORE ME

JUSTICE OF THE PEACE
COMMISSIONER FOR OATHS

* Please delete as appropriate.