

OFFER DOCUMENT

MANDATORY OFFER BY

GEORGE STEUART AND COMPANY LIMITED

TO PURCHASE 30,214,858

[which excludes the 181,304,234 shares held by the Offeror, the 26,376,726 shares held by Parties acting in concert with the Offeror and a further 29,333,905 shares held by certain other shareholders who have confirmed that they shall not sell the said number of shares held by them as morefully set out in this Offer Document]

ORDINARY SHARES OF

CITRUS LEISURE PLC

(Company Registration No. PQ 211)

Managers & Registrars to the Offer



P W Corporate Secretarial (Pvt) Ltd

No. 3/17, Kynsey Road

Colombo 08

(PV65966)

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.

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 Citrus Leisure 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 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 pm on 26th June 2019 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 Citrus Leisure PLC are reminded that the Board of Citrus Leisure PLC is obliged to communicate to every shareholder its views, comments and advice on the offer document along with the advice given to it by the independent advisor 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."

CONTENTS

Definitions

- 1. Background to the Offer**
- 2. The Offer**
- 3. Information on the Offeror**
 - 3.1 to 3.2 Brief Profile of the Offeror
 - 3.3 Statutory Disclosures
- 4. Terms of the Offer**
 - 4.1 Date of the Offer
 - 4.2 Conditions of the Offer
 - 4.3 Acceptance Period
 - 4.4 Announcements
 - 4.5 Non Resident Shareholders
 - 4.6 General Information Relating to the Offer
- 5. Procedure for Acceptance of the Offer**
 - 5.1 To Accept the Offer
 - 5.2 Return of Form of Acceptance
 - 5.3 Documents signed under Power of Attorney
 - 5.4 Document(s) of Title not readily available or lost
 - 5.5 Validity of Acceptances
- 6. Settlement**
- 7. Documents Available for Inspection**
- 8. Declaration by the Offeror**

APPENDICES

- | | |
|--------------------------------|-------------------------------------|
| Appendix I(a) & (b) | Confirmation by the Offeror's Banks |
| Appendix II | Form of Acceptance |
| Appendix III | Transfer Form |
| Appendix IV | Letter of Authorisation to CDS |
| Appendix V | Format of Indemnity |
| Appendix VI | Format of Affidavit |

DEFINITIONS

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

CDS	Central Depository Systems (Private) Limited
Offer Period	the period commencing on the date on which the Offer Document is forwarded to the shareholders of Citrus Leisure PLC and ending on the closing date of the Offer (i.e. from 6 th June 2019 to 26 th June 2019).
Offer Price	Rs.5/- per share of Citrus Leisure PLC
Closing Date	26 th June 2019
Code	The Company Take-overs and Mergers Code 1995 (as amended in 2003).
CSE	The Colombo Stock Exchange
Form of Acceptance	The Form of Acceptance which accompanies this document as Appendix II
Offeror	George Steuart and Company Limited
Offeree	Citrus Leisure PLC
LPD	Last Practicable Date – 31 st May 2019
Offer	Mandatory Offer by the Offeror to purchase 30,214,858 Ordinary Voting Shares (Shares) of the Offeree <i>[which excludes the 181,304,234 shares held by the Offeror, the 26,376,726 shares held by Parties acting in concert with the Offeror and a further 29,333,905 shares held by certain other shareholders who have confirmed that they shall not sell the said number of shares held by them as morefully set out in this Offer Document]</i> which shall include any revision or variation or extension thereto.
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.
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.

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.

3rd June 2019

To: The Shareholders of Citrus Leisure PLC

MANDATORY OFFER BY GEORGE STEUART AND COMPANY LIMITED TO PURCHASE 30,214,858 ORDINARY SHARES OF CITRUS LEISURE PLC

1. BACKGROUND TO THE OFFER

George Steuart and Company Limited and its holding company, Divasa Equity (Pvt) Ltd held 27,501,500 shares (28.455%) and 9,592,488 shares (9.925%) respectively of Citrus Leisure PLC as at 9th May 2019, aggregating to 37,093,988 shares constituting 38.380% of the issued shares of Citrus Leisure PLC.

At the recently concluded issue of shares by way of Rights, the Board of Directors of Citrus Leisure PLC (REEF) on 10th May 2019 allotted to George Steuart and Company Limited (George Steuart) 153,802,734 [of which 49,502,700 was their Entitlement and 104,300,034 were Additional's] Ordinary Voting Shares of REEF, at a price of Rs.5/- per share of a total value of Rs.769,013,670/- [additionally Divasa Equity (Pvt) Ltd was allotted 16,723,758 (as Entitlement) Ordinary Voting Shares of REEF at a price of Rs.5/- per share of a total value of Rs.83,618,790/-].

Pursuant to the aforesaid allotment of shares, by way of Rights, the total number of shares held by George Steuart increased to 181,304,234 constituting 67.846% of the total number of shares in issue in REEF (post issue) from its previous holding of 28.455% [additionally the number of shares held by Divasa Equity (Pvt) Ltd increased to 26,316,246 constituting 9.848% of the total number of shares in issue in REEF (post issue) from its previous holding of 9.925%]. Consequently, George Steuart became obligated in terms of Rule 31(1) (b) of the Company Take-overs and Mergers Code 1995 (as amended in 2003) [the said Code] to make an offer to the remaining shareholders of REEF [excluding Divasa Equity (Pvt) Ltd, which holds 26,316,246 shares constituting 9.848% and D S Jayaweera who holds 30,240 shares and V S F Amunugama who holds 30,240 shares, who are parties acting in concert], to purchase the balance shares in issue of 59,548,763 shares constituting 22.284%, at a price of Rs.5/- per share (being the highest price paid by George Steuart and/or the parties acting in concert for the shares of REEF, twelve months preceding 10th May, 2019).

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

George Steuart and Company Limited [hereinafter referred to as the Offeror] offer to purchase from the shareholders of Citrus Leisure PLC [hereinafter referred as the Offeree], 30,214,858 Ordinary Voting Shares *[which excludes the 181,304,234 shares held by the Offeror, the 26,376,726 shares held by Parties acting in concert with the Offeror and a further 29,333,905 shares held by certain other shareholders who have confirmed that they shall not sell the said number of shares held by them as morefully set out in this Offer Document]* at a price of Rs.5/- per share (being the highest price paid by the Offeror and/or the parties acting in concert with the Offeror for the shares of the Offeree, twelve months preceding 10th May, 2019).

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.

Based on the acceptance received from the Shareholders of the Offeree, the Shares in respect for which acceptance are received will be transferred to George Steuart Company Limited.

The Offeror hereby offer to purchase from the shareholders of the Offeree, 30,214,858 Ordinary Voting Shares *[which excludes the 181,304,234 shares held by the Offeror, the 26,376,726 shares held by Parties acting in concert with the Offeror and a further 29,333,905 shares held by certain other shareholders who have confirmed that they shall not sell the said number of shares held by them as morefully set out in this Offer Document]* of the issued shares, subject to the terms and conditions as set out herein.

Accordingly, the financial commitment required to meet acceptance in respect of ordinary shares of the aforesaid Offer, amounts to Rupees One Hundred and Fifty One Million Seventy Four Thousand Two Hundred and Ninety only (Rs.151,074,290/-).

The 30,213,858 ordinary voting shares will be acquired under the Offer 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 26th June 2019. 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 Brief Profile and Principal Activities of the Offeror

George Steuart and Company Limited was incorporated under the Companies Ordinance, No. 51 of 1938 on 22nd March 1944, as a private company under the name George Steuart and Company (Private) Limited and re-registered under the Companies Act, No. 7 of 2007 on 26th March 2008. The Company changed its status on 19th October 2010 to a public company whereupon it was named as George Steuart and Company Limited.

The Offeror is registered at the Registrar General of Companies under Company Registration No. PV 3049 PB. The registered office of the Offeror is at No. 439, Galle Road, Colombo 3.

The Directors of the Offeror are D S Jayaweera, L A I Karunathilaka, S K Senadheera, J M B Pilimatalawwe, P V S Premawardhana and D Pathmanathan.

The Stated Capital of the Offeror is Rs.412,119,000/- represented by 5,761,200 shares of which 4,986,800 shares constituting 86.55% are held by the Divasa Equity (Pvt) Ltd.

During Financial Year 2018/19, the principal activities of the Offeror and its subsidiaries were :

Company	Activities
George Steuart and Company Limited	Renting out premises, royalty fee from subsidiaries and providing corporate research planning services for group of companies
George Steuart Aviation (Pvt) Ltd	Operating as the general sales agent for Delta Airlines and Philippine Airlines in Sri Lanka
George Steuart Capital (Pvt) Ltd	Providing financial consultancy services
George Steuart Health (Pvt) Ltd	Wholesale and retail sale of pharmaceuticals
George Steuart Insurance Brokers (Pvt) Ltd	Providing Insurance Brokering Operations
George Steuart Investments (Pvt) Ltd	Providing intermediary financial services
George Steuart Laboratories (Pvt) Ltd	Manufacturing of detergent products
George Steuart Optimize (Pvt) Ltd	Providing IT Services and Systems Consultants
George Steuart Recruitment (Pvt) Ltd	Recruitment of manpower for overseas principals
George Steuart Solutions (Pvt) Ltd	Sale of imported and locally purchased LED bulbs, air-conditioners etc.
George Steuart Teas (Pvt) Ltd	Export of tea in bulk, packets and bags
George Steuart Travels Ltd	Operation of tours & travels

Wekanda Building & Property Company (Pvt) Ltd	Renting out property
George Steuart Exports (Pvt) Ltd	The company did not have any operations during the year
George Steuart Telecom (Pvt) Ltd	The company did not have any operations during the year
George Steuart Holidays (Pvt) Ltd	The company has ceased operations
George Steuart Industries (Pvt) Ltd	The company has ceased operations
James Steuart (Pvt) Ltd	The company has ceased operations

3.2 Brief profile of the Directors of the Offeror

3.2.1 D S Jayaweera, L A I Karunathilaka, S K Senadheera, J M B Pilimatalawwe, P V S Premawardhana and D Pathmanathan serve as Directors of the Offeree.

3.2.2 D S Jayaweera [the Chairman of the Offeror]:

Mr. Dilith Jayaweera is a leading business personality in Sri Lanka and was named one of LMD's Ten Business People of the Year 2011. Mr. Jayaweera began his foray into the Sri Lankan business landscape with the establishment of Triad – a small advertising agency – in 1993. Epitomizing the spirit of the new generation of Sri Lankan entrepreneurs, less than two decades later Mr. Jayaweera's vision and entrepreneurship have driven Triad to become the largest and most awarded Sri Lankan communication powerhouse extensively diversified to offer integrated communication solutions and he now sits on the boards of thirty six companies in diversified sectors of the economy. Mr. Jayaweera is also the Chairman of Power House Ltd. – TV Derana and FM Derana – Sri Lanka's premium entertainment channels.

Mr Jayaweera is also a Director of the Offeree.

An Attorney-at-Law by profession, Mr. Jayaweera holds an LLB from the Faculty of Law, University of Colombo, and an MBA from the University of Wales.

3.2.3 L A I Karunathilaka:

Mrs. Ashika Karunathilaka is a Director of George Steuart and Company Limited and its subsidiaries.

Mrs. Karunathilaka currently holds the position of the Head of Finance at Triad – the largest advertising agency in Sri Lanka.

She is a Chartered Accountant by profession and counts over 20 years of experience in the field of Finance.

3.2.4 S K Senadheera:

An Attorney-at-Law, Mr. Senadheera holds an LLB from the Faculty of Law, University of Colombo. He also holds a Diploma in International Relations from Bandaranayake Center for International Studies and a Certificate in General Management from the University of Singapore.

Mr. Senadheera is a co-founder and a senior partner of Capital Law Chambers and Corporate Consultants (Pvt) Ltd, a leading law firm in Sri Lanka. He has been a Legal Advisor for several leading Commercial establishments and he is a Practicing Attorney at Civil, Labour and Magistrate Courts. Mr. Senadheera has been the Chairman of Industrial Board Sri Lanka in 2012. Further he has been the Coordinating Secretary of the Ministry of Justice, Sri Lanka from 1995-2001.

3.2.5 J M B Pilimalawwe

Mr. Manoj Pilimalawwe is on the board of several Group Companies. He has been an Executive Director of George Steuart and Company Limited since June 2016 having joined the Board in September 2012 in a non-executive capacity. He currently overlooks the operations of George Steuart Solutions which specializes in air conditioning, elevators and other building solutions. He was previously at Brandix Lanka Ltd. and at PricewaterhouseCoopers Lanka Ltd. and possesses experience in areas of general management, management consultancy, IT operations and technology strategy formulation. Mr. Pilimalawwe holds a Master's Degree in Information Technology from The Keele University in U.K. and a Bachelor of Science Honours Degree in Information Systems from Manchester Metropolitan University in U.K. and is a member of the British Computer Society (MBCS). He is also a Chartered Information Technology Professional (CITP) and counts over 20 years corporate experience

Mr Pilimalawwe is also a Director of the Offeree.

3.2.6 Vasula Premawardhana

Mr. Vasula Premawardhana is an accomplished professional with over 20 years of comprehensive management experience comprising local and international hands-on experience in the fields of Capital Markets and Risk Management. He holds an MA in Financial Economics from the University of Colombo and a BSc in Computer Science from the University of Southern California - USA. Further, he is a former Director of the Securities and Exchange Commission of Sri Lanka. Mr. Premawardhana is the Chief Executive Officer of Colombo Land & Development PLC and was appointed as an Executive Director with effect from 24th March 2016.

Mr Premawardhana is also a Director of the Offeree.

3.2.7 D Pathmanathan:

Mr. Pathmanathan is the Managing Director of George Steuart Teas (Pvt) Limited, one of the foremost exporters of Ceylon Teas. He joined the Company in 1995 as a Consultant and was appointed to the Board in 1996. He possesses a wealth of experience in the tea industry and counts more than 23 years of dedicated service at George Steuart Teas (Pvt) Limited. He was subsequently appointed to the Board of George Steuart and Company Limited, the parent entity of George Steuart Group.

He serves as the Treasurer of the Tea Exporters Association. Mr. Pathmanathan is also a member of Exporters' Association as a representative of the Tea Exporters Association, Sri Lanka.

3.3 Financial Information of the Offeror

Information from the Financial Statements for the last three Financial Years

Statement of Profit or Loss and Other Comprehensive Income

Financial Year ended	31 st March 2018 (Audited) (Rs.)	31 st March 2017 (Audited) (Rs.)	31 st March 2016 (Audited) (Rs.)
Turnover	12,558,043,358	9,604,002,351	8,210,145,118
Net Profit (loss) before Tax	250,392,939	44,229,262	10,941,803
Net Profit (loss) after Tax	119,414,947	(61,751,481)	(52,389,252)
Earnings per Share before Tax **	43.46	7.68	1.90
Earnings per Share after Tax	20.80	(10.35)	(8.34)
Dividends paid per Share	Nil	Nil	Nil

* Calculation by Company Management

Statement of Financial Position

As at	31 st March 2018 (Audited) (Rs.)	31 st March 2017 (Audited) (Rs.)	31 st March 2016 (Audited) (Rs.)
Non-Current Assets	1,755,976,203	1,766,781,150	1,519,413,556
Current Assets	3,784,691,797	3,338,141,683	2,738,695,006
Non-Current Liabilities	1,159,096,611	1,087,531,765	633,576,593
Current Liabilities	3,009,699,739	2,764,934,367	2,310,011,357
Net Assets	1,371,871,650	1,252,456,701	1,314,520,611
Stated Capital	412,119,000	412,119,000	412,119,000
Retained Earnings	877,529,048	758,768,070	818,404,917
Total Shareholder Equity	1,371,871,650	1,252,456,701	1,314,520,611

The Offeror states that there are no publicly known material changes in the financial position of the Offeror.

3.4 Statutory Disclosures

3.4.1 The shareholding of the Offeror in Offeree;

The Offeror is the registered holder of 181,304,234 Ordinary shares of the Offeree constituting 67.846%.

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

Mr Dilith Jayaweera who is a Director of the Offeree is also a Director of the Offeror, holds 30,240 shares.

3.4.3 The shareholding in Offeree in which any person acting in concert with the Offeror owns or controls: 26,376,726 shares held by

Divasa Equity (Pvt) Ltd	26,316,246 shares
D S Jayaweera	30,240 shares
V S F Amunugama	30,240 shares

3.4.4 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**

3.4.5 Dealings in shares for value by the Offeror and any party acting in concert with the Offeror during the period commencing from 11th May 2018, and ending on the Last Practicable Date: **Nil**

3.4.6 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.

D S Jayaweera and V S F Amunugama, two Directors and Shareholders of the Offeree and several other Shareholders of the Offeree, have informed the Offeror that they would not be accepting the Offer with respect to 29,333,905 shares on the Offer.

- (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 Offeror having acquired further shares of the Offeree in the Rights Issue, resulting from the conversion of loans given to the Offeree by the Offeror (as a mode of settlement of loans only), thereby being obligated to make this Offer, the Offeror has no intention of making any changes, to the business of the Offeree, and therefore the current operations of the Offeree will continue.

- (e) The Offeror, does not intend to implement any changes to the business of the Offeree therefore, the Offeror shall not make any changes to be introduced in the business, including any re-deployment of the fixed assets of the Offeree Company.
- (f) The long term commercial justification for the proposed Offer;

Resulting from the acquisition by the Offeror, further shares through the Rights Issue, the Offeror became obligated to make the proposed Offer to purchase the balance shares of the Offeree in terms of the Code.
- (g) The Offeror being an existing shareholder, believes in the strength of the Offeree's employees and shall continue with the existing Offeree's employees and therefore do not intend terminating the services of any employees of Offeree or its subsidiaries.
- (h) The emoluments of the Offeror or the Directors of the Offeror, will not be affected by the acquisition of the Offeree Company.

4. TERMS OF THE OFFER

4.1. Date of the Offer

The Offer is made on 3rd June 2019, and will be kept open for a period not less than 21 days from the date the Offer Document is posted to the shareholders of the 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 *“Offer made under this Rule 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 of the voting rights.”*

The Offeror already holding shares in excess of 51% of the total Voting Rights of the Offeree, the Offeror declares that this Offer is at the very outset **unconditional as to acceptances**.

The Offeror declare that the Offeror will pay for all the Ordinary Shares tendered by way of a valid acceptance, at the Offer Price.

“Unconditional as to acceptance” shall mean that the Offeror must accept and pay for all shares tendered by the shareholders at the offer price and that the shareholders of the Offeree lose their right to withdraw the shares once they have accepted the Offer”.

It must be noted that **“acceptance”** by the shareholder shall mean the acceptance according to the procedure set out in this Offer Document, referred to in Clause 5 being complied with.

The Ordinary Shares shall be acquired free from all liens, charges, pledges and other encumbrances together with all rights now or hereafter attached thereto..

4.3 **Acceptance Period**

- (a) The Offer will initially be open for acceptance until 26th June 2019, 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 Citrus Leisure PLC's (Offeree) shareholders. 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 Offeror 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 Offeree should also indicate details of their Inward Investment Account (IIA) [formerly known as Securities Investment Account (SIA) or 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 channeled through the IIA (formerly SIA or 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 authorization 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 a 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 authorization to CDS to the jurisdiction of the Courts of Sri Lanka.

- (e) Any failure to receive the duly dispatched document 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 paragraph 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 26th June 2019.

5.2 Return of Form of Acceptance

- (i) If your Citrus Leisure PLC, shares **are not deposited** with the CDS;

The completed and signed Form of Acceptance 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 26th June 2019.

- (ii) If your Citrus Leisure PLC shares **are deposited** with the CDS and you wish to effect the transfer through the CDS;

The completed and signed Form of Acceptance 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 26th June 2019.

- (iii) If you hold Citrus Leisure 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 Documents 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 Citrus Leisure 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 26th April 2019.

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 for onward transmission to the Secretaries 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 Registrars to the Offer immediately, for information regarding the documents to be forwarded to constitute 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 (formerly SIA or SIERA), 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 Registrars, P W Corporate Secretarial (Pvt) Limited during normal business hours on any weekday, at No.3/17, Kynsey Road, Colombo 08 while the Offer remains open for acceptance:

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

Appendix I(a) (b)	Confirmations by the Banks
Appendix II	Form of Acceptance
Appendix III	Transfer Form
Appendix IV	Letter of Authorization to CDS
Appendix V	Format of Indemnity
Appendix VI	Format of Affidavit

8. DECLARATION BY THE OFFEROR

We, the undersigned being two Directors of the Offeror, authorized by the Board of the Offeror, declare and confirm that the Board of Directors of the Offeror have approved the Offer Document, and collectively and individually accept full responsibility for the completeness and the 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.

For and on Behalf of
George Stuart and Company Limited

Sgd.
D S Jayaweera
Director

Sgd.
S K Senadheera
Director



13.05.2019

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

Dear Sir,

CONFIRMATION UNDER RULE 31(5) OF THE COMPANY TAKE-OVERS AND MERGERS CODE 1995 AS AMENDED IN 2003


We, Cargills Bank Limited, 696, Galle Road, Colombo 03 do hereby confirm that George Steuart & Company Limited has arranged adequate financial resources to satisfy the full acceptance of the Mandatory Offer made by George Steuart & Company Limited to all the remaining shareholders of Citrus Leisure PLC to acquire their shares in Citrus Leisure PLC, amounting to Sri Lankan Rupees One Hundred and Fifty Million (Rs.150,000,000).

This confirmation will be in force for a period of three months from the date of utilization.

This letter is issued at the request of George Steuart & Company Limited.

Thank You.

For and on behalf of Cargills Bank Limited.


.....
D.S.L. Fernando
Head of Business Banking


.....
Ranjan Ediriwera
Senior Manager – Business Banking



Millennium Branch
Seylan Bank PLC
P O Box 400, No. 90, Galle Road, Colombo 03, Sri Lanka.
Tel : (94)-(11)-2456103, 2456106, 2456110, 2456111, 2456145
Fax : (94)-(11)-2452501, 2452506
Travels : (94)-(11)-2456113, 2456115, 2456146, 2456147
Fax (Travels) : (94)-(11)-2452504
E-mail : millennium.abm@seylan.lk, millennium.bmg@seylan.lk
Web site : www.seylan.lk
SWIFT : SEYBLKLX
Co. Reg. No.: PQ 9

Your ref :

Our ref :

PRIVATE & CONFIDENTIAL

MLN/CRD/19/942

14th May 2019

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

Dear Sir/Madam

CLIENT NAME: M/S GEORGE STEUART & COMPANY LTD
ACCOUNT NO: 0860-33400667-001

CONFIRMATION UNDER RULE31(5) OF THE COMPANY TAKE -OVERS AND MERGERS CODE 1995 AS AMENDED IN 2003

We do hereby confirm that GEORGE STEUART & COMPANY LTD has arranged adequate financial resources to satisfy the full acceptance of the mandatory offer made by GEORGE STEUART & COMPANY LTD to all shareholders of Citrus Leisure PLC to acquire their share in Citrus Leisure PLC, upto five million rupees (LKR 5,000,000/-).

This confirmation will be in force until 14th August 2019

Please note that the above information has been provided at the request of M/S GEORGE STEUART & COMPANY LTD on the strictest confidence.

Thank You

Yours faithfully,

For Seylan Bank PLC


Astrid Iddamalgodra
SENIOR MANAGER