



P W Corporate Secretarial (Pvt) Ltd
(Company Registration No. PV 65966)

December 2nd, 2020

Mr. Renuke Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
304-01 West Block
World Trade Centre
Echelon Square
Colombo 01

Dear Sir

**RE: VOLUNTARY OFFER BY GEORGE STEUART AND COMPANY LIMITED TO PURCHASE
ALL THE ISSUED AND PAID UP ORDINARY VOTING SHARES OF HVA FOODS PLC**

Please see attached, in terms of Rule 8 of the Take-overs and Mergers Code 1995 (as amended in 2003) ("the 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), an Announcement pertaining to a Voluntary Offer by George Steuart and Company Limited to purchase all the issued and paid up Ordinary Voting Shares of HVA Foods PLC.

We attach hereto a certified copy of the letter dated 1st December 2020 from the Securities and Exchange Commission of Sri Lanka approving the Announcement.

Yours faithfully,
For and on Behalf of
George Steuart and Company Limited
P W Corporate Secretarial (Pvt) Ltd

Managers and Registrars to the Offer

ESTD 1835



George Steuart & Co

BELIEVE

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

VOLUNTARY OFFER BY GEORGE STEUART AND COMPANY LIMITED TO PURCHASE ALL THE ISSUED AND PAID UP ORDINARY VOTING SHARES OF HVA FOODS PLC

1. BACKGROUND TO THE OFFER

GEORGE STEUART AND COMPANY LIMITED (hereinafter referred to as the “**Offeror**”) hereby announce that in compliance with the provisions of the Company Take-overs and Mergers Code 1995 (as amended in 2003) (“the 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) that the Offeror shall make a voluntary offer to the holders of all ordinary voting shares of **HVA FOODS PLC** (hereinafter referred to as the “**Offeree**”).

2. TERMS OF THE OFFER

- 2.1 The Offeror offers to acquire from the ordinary shareholders of the Offeree all of the issued ordinary voting shares of the Offeree amounting to 66,428,660 shares at a consideration of LKR 3/50 per share.
- 2.2 The Majority Shareholder, namely, HVA Lanka Exports (Private) Limited the owner of 40,588,471 ordinary voting shares, constituting 61.1% of the shares in issue has agreed to sell 33,945,605 shares constituting 51.1% of the ordinary shares in issue.
- 2.3 The Offeror or any persons acting in concert with the Offeror has not acquired any ordinary voting shares of the Offeree within the three (03) months’ period prior to the commencement of the Offer Period, as set out in Rule 30 (1) of the Code.
- 2.4 The Offeror, based on the Majority Shareholder’s agreement to accept the Offer in respect of 51.1% shares as aforesaid, upon tendering their acceptance to the Offeror, **this Offer would convert into a Mandatory Offer in terms of Rule 31 (1) a) of the Code**, further declares that the Offeror or any person acting in concert with the Offeror has not acquired any ordinary voting shares of the Offeree within the twelve (12) months period prior to the commencement of the Offer Period as set out in Rule 31 (3) of the Code.
- 2.5 The Offer to be made by the Offeror as herein contemplated will be open to all ordinary shareholders of the Offeree, registered in the books of the Offeree, at the closure of the Offer.

3. CONDITIONS OF THE OFFER

The ordinary shares to be acquired under this Offer shall be acquired free from all liens, claims, charges, pledges, third party rights and other encumbrances and together with all rights now or hereafter attached thereto including profits, dividends and distributions (if any) declared and made or paid thereon.

GEORGE STEUART & COMPANY LTD.

No. 439, Galle Road, Colombo 03, Sri Lanka. T +94 11 779 2400 F +94 11 255 4319 info@georgesteuart.lk Co. Reg. No. PV 3049 PB



4. THE OFFEROR

George Steuart and Company Limited was incorporated under the Companies Ordinance, No. 51 of 1938 on 22nd March 1954, 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.

George Steuart & Company Limited was founded in 1835 by James Steuart, a gallant British sea captain who sailed the Southern Seas to Ceylon and discovered the island's great commercial potential. James together with his brother George first became Merchant Bankers and then established an agency house that became a large-scale exporter of Ceylon coffee. Sri Lanka's coffee industry was ravaged by blight in the 1870s and the Steuart brothers were at the frontlines of the plantation industry's transformation from coffee to tea. The company took shape as a modern corporate establishment with its incorporation as George Steuart & Co in 1954.

At the time Sri Lanka began nationalizing its plantation assets in 1975, George Steuart & Co was managing the largest acreage of tea plantations in the country. Undeterred by this setback, the company set forth to reestablish its eminence in tea while diversifying into new industries and expanding its footprint into sectors such as healthcare, travel, leisure, insurance broking, financial services, industrial solutions and fast-moving consumer goods.

Today, George Steuart & Co Ltd is Sri Lanka's oldest company and one of the oldest in the world, widely respected for its dynamism, its sustained ability to stay competitive and relevant and its ability to thrive, 185 years on. The group continues to seek positions in industries that mirror the nation's ambitions with a passion to build world renowned Sri Lankan brands.

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

The Stated Capital of the Offeror is Rs. 1,063,134,600 represented by 11,522,400 shares of which 10,748,000 shares constituting 93.28% are held by the Divasa Equity (Pvt) Ltd.

During Financial Year 2019/20, the principal activities of the Offeror and its subsidiaries were:

Company	Activities
George Steuart and Company Limited	The holding company of the subsidiaries of George Steuart group and provides centralized services and is involved in macro management and strategic planning for its subsidiaries.
George Steuart Health (Pvt) Ltd	Importer and Distributor of pharma products, OTC products and medical equipment
George Steuart Teas (Pvt) Ltd	Sale of tea in bulk, value added and tea bags in both local and international markets.
George Steuart Insurance Brokers (Pvt) Ltd	Providing Insurance Brokering and consultancy services
George Steuart Investments (Pvt) Ltd	Licensed Money Broker providing interbank financial services



George Steuart Capital (Pvt) Ltd	Providing financial consultancy services in the areas of Business Advisory, M&A and Wealth Management
George Steuart Travels Ltd Ticketing, Out Bound travel	Provides fully integrated travel solutions in Airline and is a DMC
George Steuart Aviation (Pvt) Ltd	General Sales Agent for Delta Airlines and Philippine Airlines in Sri Lanka
Citrus Leisure PLC	Fully integrated leisure company operating three (03) hotels in Sri Lanka
George Steuart Solutions (Pvt) Ltd	Sale of industrial goods & services in in the construction and building maintenance industry
George Steuart Laboratories (Pvt) Ltd products locally and	Manufacturer and distributor of chemical-based internationally
Seri Naturals (Pvt) Ltd	Manufacturer and distributor of personal care products in the local market
Wekanda Building & Property Company (Pvt) Ltd	Investment Properties
George Steuart Optimize (Pvt) Ltd	Providing IT Services and Systems Consultancy
George Steuarts Recruitment (Pvt) Ltd	The company has ceased operations
George Steuart Exports (Pvt) Ltd	The company has ceased operations
George Steuart Telecom (Pvt) Ltd	The company has ceased operations
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

5. EXISTING SHAREHOLDING IN THE OFFEREE

- (aa) The number of Offeree shares the Offeror owns or over which the Offeror has control Nil
- (bb) The number of Offeree shares owned or controlled by any person acting in concert with the Offeror
- 95,095 Shares representing 0.143% of issued shares of the Offeree, are held by Divasa Equity (Pvt) Ltd, the Major Shareholder of the Offeror.
- 176,870 Shares representing 0.226% of the issued shares of the Offeree, are held by Lake Drive Holdings (Pvt) Ltd. Ms. V Amunugama Fernando, a Director and Shareholder of Divasa Equity (Pvt) Ltd, the Major Shareholder of the Offeror, owns 33.33% of Lake Drive Holdings (Pvt) Ltd. Ms. Amunugama Fernando is a Director of HVA Lanka Exports (Private) Limited, the Major Shareholder of the Offeree.



(cc) The number of Offeree shares in respect of which the Offeror has received an undertaking by any shareholder to accept the Offer

HVA Lanka Exports (Private) Limited, the Majority Shareholder, owner of 40,588,471 ordinary voting shares representing 61.1% of the shares in issue in the Offeree has agreed with the Offeror to accept the Offer to purchase upto 33,945,605 shares, constituting 51.1% of the shares in issue.

Other than the aforesaid undertaking by the Majority Shareholder, the Offeror has not received any undertaking from any other shareholder of the Offeree.

6. FURTHER DETAILS OF THE OFFER

A detailed offer document giving other relevant information including the period during which the Offer would be kept open in terms of the Code, will be forwarded to the Board of Directors and to the shareholders of the Offeree within twenty eight (28) days of this Announcement as required by Section 13(1) of the Code.

A shareholder who does not receive a copy of the Offer Document due to a postal delay or any other reason is advised to collect a copy of the Offer Document from P W Corporate Secretarial (Pvt) Ltd, the Registrars to the Offer, having its registered office at No. 3/17, Kynsey Road, Colombo 8.

GEORGE STEUART AND COMPANY LIMITED hereby declare and confirm that this Announcement has been seen and approved by the Board of **GEORGE STEUART AND COMPANY LIMITED** and that they accept full responsibility for the accuracy and completeness of the information contained in this Announcement and confirm to the best of their knowledge and belief that there are no other facts, the omission of which would make any statements herein misleading in any material respect.

GEORGE STEUART AND COMPANY LIMITED

S. A. Ameresekere
Director

L. A. I. Karunathilaka
Director

This 2nd day of December 2020