

Renuka Holding PLC to raise Rs. 1.031 Bn via Rights Issue on CSE digital platform

- ***Offer of 66 million Ordinary Voting shares at Rs. 14 per share and 9.5 million Non-Voting shares at Rs. 10 per share.***
- ***CDS Shareholders' Rights entitlement is uploaded to CDS Accounts and Non-CDS shareholders to follow instructions set out in cse.lk and cde.lk***
- ***Hopes to strengthen Balance Sheet and make further investments with further infusion of equity.***
- ***Rights Issue comes hot on the heels of its subsidiary, Renuka Capital PLC making a substantial gain on the disposal of its investment in On'ally Holdings PLC***

Colombo. Tuesday 08 December 2020. Renuka Holding PLC (RHL) has announced plans to raise Rs. 1.031 billion via a Rights Issue closing on the 16th of December to carry out debt settlements and to fund future investments into Group subsidiaries according to a circular issued to its shareholders.

According to the circular, the new Ordinary Voting Shares will be issued at a price of Rs. 14 amounting to Rs. 934,863,566. The new Ordinary Non-Voting Shares will be issued at a price of Rs. 10 amounting Rs. 96,426,220.

The total proceeds expected to be raised through the Rights Issue is Rs. 1,031,289,786.

Renuka Holdings PLC ordinary share price closed as at 07th December as at Rs. 15.10 and its net asset value per share as at 30th September 2020 was Rs. 62.87.

For the six months ended 30th September 2020, the organisation recorded a turnover of Rs. 4.2 billion, a net profit of Rs. 208 million and equity attributable to shareholders of Rs. 6.4 billion.

The group consists of two main verticals - Food and Beverage, and Property and Investment. Renuka Holdings' interest in this sector is owned through Renuka Foods PLC, which consists of: Agribusiness - Renuka Agri Foods PLC and Renuka Agri Organics Ltd; Sri Lanka's leading coconut based food and beverage manufacturers, Renuka Teas Ceylon Ltd – a speciality organic and superfood tea enterprise and Kandy Plantations Ltd, Sri Lanka's largest owner of organic certified coconut lands.

The FMCG business is led by Richlife Dairies Ltd; which is within the top 5 dairy companies, and Shaw Wallace Ceylon; the owner of the leading brands of canned fish, snacks, among other brands.

In the Property and Investment sector, the ongoing construction of its flagship development 'Galle Face Icon' is progressing well with all piling work complete and excavation ongoing by Sanken. The construction will be above ground by April 2021.

Once completed it will be a 32-storey tower situated in the Galle Face district of Colombo 03, consisting of a total construction area of 450,000 sq ft, with vistas over Galle Face Green and the new Port City. The group also draws income from the operating Baseline Business Center and other group lands.

On the investment side, the Group set up a dedicated listed entity in 2016, Renuka Capital PLC, which just sold its maiden significant investment in On'ally Holdings PLC (Unity Plaza) at more than triple its original investment cost.

The Rights Issue is being carried out on a digital platform in light of the impact of Covid on the postal services, since there is a practical difficulty in dispatching the Provisional Letter of Allotment to the shareholders of the company within the stipulated time frame.

However the Colombo Stock Exchange has facilitated for eligible shareholders to apply for their rights entitlement via CDS (for CDS account holders). All eligible shareholders of the company, both CDS and Non CDS, are encouraged to follow the

procedure set out and uploaded to the website www.cse.lk and www.cds.lk/renuka-holdings-plc-right-issues/ prior to applying to the rights issue. If any shareholder is unsure, they can contact Kasun on 070 4375 236.

The Directors of the Company are Mrs. I.R. Rajiyah, Dr. S.R. Rajiyah, Mr. S.V. Rajiyah, Mr. L.M. Abeywickrama, Mr. S. Dominic, Mr. T.K. Bandaranayake, Mr. J.M. Swaminathan, Mrs. A.L. Rajiyah, Mr. V. Sanmugam and Mrs. J. J. B. A. Rajiyah.

PHOTO:

1. The Galle Face Icon