

OFFER DOCUMENT

OFFER BY

CEYLON INVESTMENT PLC - PQ 68

**TO REPURCHASE UPTO A MAXIMUM OF 993,511 ORDINARY
SHARES AT RS.102/70 PER SHARE FROM THE HOLDERS OF
SUCH SHARES**

**THIS DOCUMENT IS IMPORTANT AND WARRANTS YOUR IMMEDIATE AND CAREFUL
CONSIDERATION**

If you are in any doubt as to the action you should take, and/or regarding any implications arising therefrom (including taxation), you are recommended to seek your own independent personal financial advice from your stockbroker or other professional advisor immediately.

If you have any queries as to the completion of the “Form of Acceptance” or other documents, please contact the Registrars to the Offer, Corporate Solutions Unit, Central Depository Systems (Private) Limited, Ground Floor, M & M Center, 341/5, Kotte Road, Rajagiriya via below Telephone Nos. for assistance.

Thilanka Udara	+94 740 772 177
Minura Hemachandra	+94 741 228 568
Or email to	registrars@cse.lk

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DEFINITIONS

Act	Companies Act, No. 07 of 2007
Articles of Association	Articles of Association of Ceylon Investment PLC
Auditors	Messrs. KPMG, the Auditors of Ceylon Investment PLC
AWPLR	Average Weighted Prime Lending Rate
Board	Board of Directors of Ceylon Investment PLC
CDS	Central Depository Systems (Private) Limited
Closing Date	Date on which the Offer to Eligible Shareholders will cease, i.e. Thursday, 17th March 2022
CSE	Colombo Stock Exchange
Consideration/Repurchase price	Rs.102/70 per share
Company/ CINV/ Offeror	Ceylon Investment PLC
CTRA	Capital Transaction Rupee Account
Eligible Shareholder(s)/Offeree(s)	Holders of Ordinary Shares of CINV listed in the shareholders' ledger of CINV and in the CDS as at the end of trading on Thursday, 17th February 2022 (being the 3rd Market day from and excluding the date of EGM).
EGM	Extraordinary General Meeting
Entitlement Date	Thursday, 17th February 2022 being the 3rd Market day from and excluding the date of EGM
Form of Acceptance/Form	Form of Acceptance for the Offer, that constitutes part of the Offer Document through which the Eligible Shareholders may accept the Offer
IIA	Inward Investment Account
Market Day	Any day on which the CSE is open for trading
CINV/Company/Offeror	Ceylon Investment PLC
Non-Resident Shareholder(s)	Eligible Shareholder who is not a resident of Sri Lanka, or an Eligible Shareholder who has a registered address in a jurisdiction outside Sri Lanka or is incorporated or registered with, or approved by any authority outside Sri Lanka
Offer/Repurchase Offer	Repurchase by CINV from its Shareholders listed in the Shareholders' ledger and in the CDS as at the end of trading on Thursday, 17th February 2022, of up to 993,511 ordinary shares on the basis of 01 Ordinary Share for every 102 ordinary shares held at a price of Rs.102/70 per share.
Offer Document	This document dated 11th February 2022 by which the Offer is made and sets out the terms and conditions relating to the Offer and includes the "Form of Acceptance" and Annexures to this document

Opening Date	Friday, 25th February 2022
Registrars to the Offer	Central Depository Systems (Private) Limited Corporate Solution Unit, Ground Floor, M & M Center, 341/5, Kotte Road, Rajagiriya, Sri Lanka
ROE	Return on Equity
SEC	Securities and Exchange Commission of Sri Lanka

Singular/Plural - Words importing the singular shall, where applicable, include the plural and *vice versa*.

Genders - Words importing the masculine gender shall, where applicable, include the feminine and the neuter gender. References to persons shall, where applicable, include corporations.

Headings - The headings in the Offer Document are inserted for convenience only and shall be ignored in construing the Offer Document.

Eligible Shareholders - References to “**you**”, “**your**” and “**yours**” in the Offer Document are, as the context so determines, to Eligible Shareholders.

Statutes - Any reference in the Offer Document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any modification thereof and used in the Offer Document shall, where applicable, have the meaning assigned to that word under the Act or that modification, as the case may be.

Time and Date - Any reference to a time of day and date in the Offer Document shall be a reference to Sri Lankan time and date, unless otherwise specified.

1. BACKGROUND OF THE OFFER

As communicated to the shareholders via circular dated 24th January 2022, the Board of Directors of the Company observes that the shares of CINV are presently trading at a significant discount to its Net Asset Value (NAV) and therefore, the share price does not portray the intrinsic value of the Company. Given below is a comparison of the market price versus the NAV of the Company as at March 31, 2021, June 30, 2021 and September 30, 2021.

	31/03/2021	30/06/2021	30/09/2021
Net Asset Value per share	Rs.92/86	Rs.90/68	Rs.90/36
Market price per share	Rs.63/70	Rs.59/20	Rs.51/80
Discount to NAV	Rs.29/16	Rs.31/48	Rs.38/56
Discount as a percentage of NAV	31.40%	34.72%	42.67%

Therefore, the primary objective of the proposed share repurchase scheme is to provide an opportunity for the shareholders to realize the intrinsic value for a portion of their investment and thereby minimize the gap between the NAV and the market price per share of the Company. Furthermore, corporate payout strategy focusing on active share buyback programs at appropriate times may gradually increase the share price over time, bridging the gap to its intrinsic value. In addition, considering the merits discussed above, a share repurchase can also be viewed as an alternative mode of distribution to traditional cash dividends.

Accordingly, on 15th December 2021 the Board of Directors of Ceylon Investment PLC has resolved that the Company repurchase upto a maximum of 993,511 Ordinary Shares on the basis of 01 Ordinary Share for every 102 Ordinary Shares held by an Eligible Ordinary Shareholder at a consideration of Rs.102/70 per Ordinary Share is in the interests of the Company.

The approval of the shareholders was obtained by the Board of Directors by way of an Ordinary Resolution at the EGM held on 11th February 2022 for the aforesaid Repurchase Offer.

Eligible shareholders who may wish to accept the Offer are provided the opportunity to do so via this Offer Document. Further details relating to the Offer are set forth in the subsequent sections of this Offer Document.

2. COMPLIANCE WITH STATUTORY PROCEDURE

The Repurchase of Shares by the Company is carried out in accordance with the applicable provisions of the Companies Act, No. 07 of 2007, the Listing Rules of the Colombo Stock Exchange ("CSE") and the Articles of Association of the Company.

Article 17 of the Articles of Association of the Company authorises the Company to purchase or otherwise acquire any of its own shares, in accordance with the provisions of the Companies Act.

As required by Section 64(2) of the Companies Act, the Board of Directors of the Company has resolved that,

- (a) The acquisition of 993,511 ordinary shares on the basis of 01 ordinary share for every 102 ordinary shares held by an Eligible Ordinary Shareholder at a consideration of Rs.102/70 per ordinary share is in the interests of the Company;
- (b) The terms of the Repurchase Offer and the consideration to be paid for the shares is in the opinion of the Company's Auditors, a fair value; and
- (c) The Board of Directors of the Company are not aware of any information that has not been disclosed to the Shareholders which is material to an assessment of the value of the shares in respect of the Repurchase Offer, and as a result of which the terms of the Repurchase Offer or the consideration offered for the shares under such Repurchase Offer are unfair to Shareholders accepting the Repurchase Offer.

The Board is satisfied that, CINV will immediately after the repurchase of shares as aforementioned satisfy the Solvency Test as defined in Section 57 of the Act. The Certificate of Solvency has been obtained from the Auditors certifying that CINV will satisfy the Solvency Test immediately upon the payment of consideration for the Repurchase of Shares.

A disclosure was duly made to the CSE on 16th December 2021 in terms of Rule 7.11.1 (d) and Rule 8 - Appendix 8A(5) of the Listing Rules of the CSE with regard to the Repurchase Offer.

The payment of consideration to Eligible Shareholders accepting the Offer will be made within 10 Market Days from the Closing Date (excluding the Closing Date), i.e. on or before Thursday, 31st March 2022.

The Company subsequent to obtaining the approval of the Securities and Exchange Commission of Sri Lanka (SEC) will make a request to the CSE and CDS to cancel the shares that are repurchased by CINV along with the declaration to be filed with the CSE in terms of Rule 7.11.1 (f) of the Listing Rules of the CSE confirming the following;

- (i) number of shares in issue prior to the repurchase;
- (ii) number of shares repurchased;
- (iii) number of shares in issue and stated capital of the Company subsequent to the repurchase;
- (iv) the CDS account to which the shares were repurchased (for the purpose of cancelling the shares repurchased).

The CSE will make an Announcement in the market accordingly.

3. TERMS OF THE OFFER

This Offer is made by the Company to the Eligible Shareholders subject to the following terms and conditions.

	Ordinary Shares
No. of issued shares of the Company as at 31st December 2021	101,338,041
Ratio/ No. of shares to be repurchased	01 ordinary share for every 102 ordinary shares held Maximum of 993,511 ordinary shares
Price at which the shares are to be repurchased	Rs.102/70 per ordinary share

Opening date of the Offer	Friday, 25 February 2022
Closing date of the Offer	Thursday, 17 March 2022
Payment for shares repurchased	Within ten (10) Market Days from the date of closing the Offer (excluding the date of closing the offer) on/before Thursday, 31 March 2022

** The Company has in issue 101,338,041 Ordinary Shares, which are listed on the Colombo Stock Exchange.*

Based on the Share Repurchase ratio stated above, there will be Eligible Shareholders who will have fractions of shareholding and it is informed that such fractions will be ignored.

3.1 Repurchase of additional shares

The Eligible Ordinary Shareholders will be given the opportunity to tender additional shares over and above their pro-rata entitlement to be repurchased by the Company.

In the event an Eligible Shareholder does not accept the Repurchase Offer or accepts the Repurchase Offer only in part and in addition the fractions that would arise will form the Ordinary Shares that the Company could additionally repurchase. The Board of Directors shall determine the number of such additional shares to be repurchased from each Eligible Shareholder who has tendered such additional application for shares and the total number of additional shares to be repurchased, so that the total number of Ordinary Shares repurchased including the additional shares do not exceed the maximum number of Ordinary Shares to be repurchased, i.e. 993,511 Ordinary Shares.

In the event the number of such additional Ordinary Shares exceeds the maximum number of ordinary Shares that the Company is willing to repurchase, the number of additional ordinary shares shall be reduced on a pro-rata basis in accordance with Listing Rule 7.11.1.c of the CSE.

The controlling shareholder of the Company, Ceylon Guardian Investment Trust PLC has indicated to the Board of Directors of the Company that they will accept their entitlement of the Share Repurchase in full.

An Eligible Shareholder tendering any additional shares for repurchase will be deemed to have accepted such number of shares as CINV determines that it will acquire.

In the event any Eligible Shareholder holds less than One Hundred and Two (102) ordinary shares, such Shareholder will not be entitled to submit an acceptance by completing **FORM A - "Form of Acceptance"** under the Repurchase Offer. However, such Eligible Shareholder may still tender for repurchase any ordinary shares held by such Shareholder under the repurchase of additional shares by completing **FORM B - "Form for Additional Shares"**.

Acceptance of the Offer should be made in the manner as set out in Section 4 - "Procedure for Acceptance" of this Offer Document.

4. PROCEDURE FOR ACCEPTANCE

Acceptance of the Repurchase Offer should be made by completing **FORM A - "Form of Acceptance"**, which is forwarded together with this Offer Document.

Any Eligible Shareholder who wishes to tender additional shares over and above their pro-rata entitlement under the Repurchase Offer must complete and return **FORM B - "Form for Additional Shares"** specifying the number of additional shares that he wishes to tender. Eligible Shareholders should note that the Repurchase Offer is only being made for repurchase of shares on a pro-rata basis of One (01) ordinary share for every One Hundred and Two (102) ordinary shares held by Eligible Shareholders and that the Board of Directors shall determine the number of such additional shares to be repurchased from each Eligible Shareholder who has tendered such additional application.

If any of the Eligible Shareholders do not accept the Repurchase Offer or accepts the Repurchase Offer only in part, and as a result the total number of shares accepted by Eligible Shareholders by completing **FORM A - "Form of Acceptance"**, is less than 993,511 Ordinary Shares, CINV may acquire any number of shares out of the additional Ordinary Shares tendered by the Eligible Shareholders. In the event the number of such additional Ordinary Shares exceeds the maximum number of Ordinary Shares that the Company is willing to repurchase, the number of additional Ordinary Shares shall be reduced on a pro-rata basis in accordance with Listing Rule 7.11.1.c of the CSE.

All Eligible Shareholders who wish to accept the Offer made by CINV must complete and return the **FORM A - "Form of Acceptance"**, in terms of Section 4.1.

Section 4.1 below will not be applicable to the Eligible Shareholders who do not wish to accept the Offer.

4.1 Acceptance of the Offer

The Eligible Shareholders who wish to accept the Repurchase Offer in full or part of their entitlement under the Repurchase Offer and/or tender additional shares should follow all the instructions specified herein and in Annexure I when completing the respective forms (FORM A and/or FORM B).

(a) If CINV shares are held in certificate form

FORM A relating to the acceptance of the Repurchase Offer and if Eligible Shareholder wishes to tender any additional Shares for repurchase, **FORM B** should be duly completed and sent along with the original share certificate(s) by courier or post or by hand to reach Registrars to the Repurchase Offer, Central Depository Systems (Private) Limited at the Central Depository Systems (Private) Limited, Corporate Solutions Unit, Ground Floor, M & M Center, 341/5, Kotte Road, Rajagiriya, Sri Lanka during the Offer period (i.e. from Friday, 25th February 2022 to Thursday, 17th March 2022) in any event not later than 4.30 p.m. on the Closing Date i.e. 17th March 2022. Please refer Section 4.4 for further details.

Eligible Shareholders who have lost/misplaced their share certificates and/or other documents of title or where such documents of title are not readily available, may nevertheless complete the Forms (FORM A and/or FORM B) and forward the same along with a Declaration of Affidavit and Indemnity (refer Annexure II) by courier or post or by hand to reach the Registrars to the Repurchase Offer, Central Depository Systems (Private) Limited, Corporate Solutions Unit, Ground Floor, M & M Center, 341/5, Kotte Road, Rajagiriya, Sri Lanka during the Offer period (i.e. from Friday, 25th February 2022 to Thursday, 17th March 2022) in any event not later than 4.30 p.m. on the Closing Date. Please refer Section 4.4 for further details.

Please note that as per the Directive of the Securities and Exchange Commission made under Circular No. 08/2010 dated 22nd November 2010 and Circular No. 13/2010 issued by the Central Depository System (Private) Limited dated 30th November 2010, all shares must be directly uploaded to CDS accounts. As such, Eligible Shareholders whose shares are registered only in the share register maintained by the Company, will not be issued share certificates for the balance shares they hold subsequent to the completion of the Repurchase Offer. Such remaining shares after the Repurchase Offer will be registered in the Share Register maintained by CINV under the respective name of the Eligible Shareholders until such time a valid CDS account is opened by the Eligible Shareholders of CINV. Therefore, Eligible Shareholders who hold shares in certificate form are advised to open a CDS account and send a written request to the Company Secretaries, Carsons Management Services (Private) Limited, No. 61, Janadhipathi Mawatha, Colombo 1, Sri Lanka to upload such shares to the CDS. Direct uploads pertaining to written requests received from Eligible Shareholders to deposit such shares will be carried out on a weekly basis after the work pertaining to the Repurchase Offer has been completed.

(b) If Ordinary Shares are deposited with the CDS

FORM A relating to the acceptance of the Repurchase Offer and if Eligible Shareholder wishes to tender for repurchase, any additional shares, **FORM B** should be duly completed and **returned through your stockbroker or the custodian bank** who in turn will forward same directly to the CDS during the offer period (i.e. from Friday, 25th February 2022 to Thursday, 17th March 2022) and in any event not later than 4.30 p.m. on the Closing Date for onward transmission to the Registrars to the Repurchase Offer. Please refer Section 4.4 for further details.

If an Eligible Shareholder accepting the Repurchase Offer, holds his shares in the “locked balance” of the CDS, it is advised to sign and execute CDS Form 6(A) issued by the CDS and available with the

stockbroker/custodian bank, expressing his/her consent to the transfer of shares for which the repurchase is to be made, from the “locked balance” to the “trading balance” of his/her CDS account and instruct the respective stockbroker/CDS in that regard. Duly completed CDS Form 6(A) should also be returned to the stockbroker or the custodian bank along with the Forms (FORM A and/or FORM B), who in turn will forward it directly to the CDS on or before 4.30 p.m. on the Closing Date for onward transmission to the Registrars to the Repurchase Offer.

If an Eligible Shareholder holds shares in multiple CDS accounts, only one set of Forms (FORM A and/or FORM B) will be mailed to the respective Eligible Shareholder for his/her total holding in multiple CDS accounts and he must indicate on the Forms (FORM A and/or FORM B) the CDS account from which the shares should be repurchased.

In the event an Eligible Shareholder wishes to accept the Repurchase Offer and one CDS account does not hold the entire quantity, he must use separate Forms (FORM A and/or FORM B) for the shares in each CDS account through which he/she wishes the shares to be repurchased. The use of photocopies of the original Forms (FORM A and/or FORM B) is permitted for this purpose.

CINV does not have a responsibility to verify whether the Eligible Shareholder has sufficient number of shares in each of such accounts to accept the Repurchase Offer and CINV shall only abide by the instructions as given above. In the event the aforementioned instructions are not followed by the Eligible Shareholder, CINV may reject such Forms (FORM A and/or FORM B).

(c) If shares are deposited partly with the CDS and partly held in certificate form

If an Eligible Shareholder holds CINV shares both through a physical share certificate and through CDS account(s), two separate Forms (FORM A and/or FORM B) will be mailed to the Eligible Shareholder. Eligible Shareholder is required to complete separate Forms (FORM A and/or FORM B) for each such holding and forward the forms as stated in (a) and (b) above.

If an Eligible Shareholder accepting the Repurchase Offer, holds his/her shares in the “locked balance” of the CDS, it is advised to sign and execute Form CDS 6(A) issued by the CDS and available with the stockbroker/custodian bank, expressing his consent to the transfer of shares for which the repurchase is to be made, from the “locked balance” to the “trading balance” of his/her CDS account and instruct the respective stockbroker/CDS in that regard. Duly completed Form CDS 6(A) should also be returned to the stockbroker or the custodian bank along with the Forms (FORM A and/or FORM B), who in turn will forward it directly to the CDS on or before 4.30 p.m. on the Closing Date for onward transmission to the Registrars of the Repurchase Offer.

4.2 Trading of Shares during the Offer period

During the Offer period (i.e. from Friday, 25th February 2022 to Thursday, 17th March 2022), Eligible Shareholders accepting the Repurchase Offer, whose shares are deposited in the CDS, will NOT be permitted to trade in the number of shares for which they have accepted the Repurchase Offer, including the number of additional Shares tendered.

In the event the total number of additional shares tendered exceeds the maximum number of additional shares repurchased by CINV subsequent to the closure of the Repurchase Offer, the balance shares will be credited back to the Shareholder's CDS account within 10 market days after the Closing Date of the Repurchase Offer.

The shares for which the Repurchase Offer has been accepted through the CDS, would be credited to a reserve account titled '**CINV Share Repurchase Acceptance Account**' maintained by the CDS for this purpose immediately upon the receipt of such Forms of Acceptance (FORM A) by the CDS. Hence, Eligible Shareholders accepting the Repurchase Offer through the CDS, **CANNOT** trade on the entitlement shares in respect of which they have accepted the Repurchase Offer.

In addition to the above, Eligible Shareholders tendering for repurchase by CINV, any additional shares deposited in the CDS by submitting FORM B, **CANNOT** trade on such additional shares immediately upon the receipt of such Forms (**FORM B**) by the CDS. The number of additional shares to be repurchased by CINV will be held in a reserve account titled '**CINV Share Repurchase Additional Shares Account**' at the CDS.

4.3 Acknowledgement

No acknowledgment of receipt of any document including "**Form of Acceptance (FORM A)**", "**Form for Additional Shares (FORM B)**", Share Certificate(s) and/or other document(s) of title will be given by or on behalf of CINV.

4.4 Receipt of Documents after the Closing Date

Documents with regard to the Repurchase Offer, dispatched by courier or post should reach the Registrars to the Repurchase Offer or the Depository Operations of CDS through your stockbroker or custodian bank, as applicable to you, as mentioned in Section 4.1 of this document, not later than 4.30 p.m. on the Closing Date of the Repurchase Offer i.e. Thursday, 17th March 2022.

Any documents received by courier or post after the above deadline shall be rejected even though the courier or postmark is dated prior to the Closing Date.

4.5 Documents signed under Power of Attorney

If any document is signed under a Power of Attorney, the original should be first registered in the books of the Company through its Company Secretaries, and a copy thereof duly certified by a Notary Public should be sent along with the Forms (FORM A and/or FORM B) on or before 4.30 p.m. on the Closing Date i.e. Thursday, 17th March 2022, either directly to the Registrars to the Repurchase Offer or the Depository Operations of CDS through your stockbroker or custodian bank, as applicable to you, as mentioned in Section 4.1 of this document.

4.6 Non-Resident Shareholders

Non-Resident Shareholders who wish to accept the Repurchase Offer should through his/her professional advisors investigate, verify and ascertain the laws and regulations applicable to such

shareholders in any and all jurisdictions (including, for the avoidance of doubt, Exchange Control Department, Central Bank of Sri Lanka) in respect of the Repurchase Offer. CINV will not be responsible for obtaining or providing any assistance, nor for such Non-Resident Shareholders' compliance, in connection with any statutory or other approvals that may be necessary or for any cost involved in the event of such persons accepting the Repurchase Offer.

4.7 Acceptance in respect of shares of deceased Eligible Shareholders

In the case of deceased Eligible Shareholders, the Offer Document will be forwarded to their legal representatives if such legal representatives are registered in the books of the Company and their legal representatives are required to contact the Registrars to the Repurchase Offer immediately for information on the documents that must be tendered for a valid acceptance of the Repurchase Offer.

4.8 No Right of Withdrawal or Varying Acceptance

Once an Eligible Shareholder submits the "Form of Acceptance" and/or "Form for Additional Shares", such Eligible Shareholder cannot withdraw or vary the same made thereby for the Repurchase of Shares.

4.9 Validity of Acceptance

Subject to the terms of the Repurchase Offer, CINV reserves the right to reject or treat as valid any acceptances of the Repurchase Offer, which are not in order or which are not accompanied by the relevant original share certificate(s) and/or other document(s) such as those relating to title or indemnities. In such event, the consideration under the Repurchase Offer will not be released to the accepting Eligible Shareholders until the shortcomings are rectified or the share certificate(s) and/or other document(s) such as those relating to title or indemnities, satisfactory to CINV are received, as the case may be.

CINV will not under any circumstances be under any duty or obligation to inform the Eligible Shareholder of any invalidity of acceptance before the Closing Date. In the case of an invalid acceptance, all documents forwarded to the CDS through the stockbroker/custodian bank or to the Registrars to the Offer will be returned to such Eligible Shareholder by ordinary post within thirty (30) calendar days after the Closing Date at the risk of such Eligible Shareholder. In the case of any Eligible Shareholder holding any shares on Repurchase Offer jointly, the said documents will be returned to the Eligible Shareholder whose name first appears in the share certificate(s) or the CDS account.

If an Eligible Shareholder does not adhere to the procedure set out herein, his "Form of Acceptance" and/or "Form for Additional Shares" will be rejected.

5. PAYMENT OF CONSIDERATION

The payment of consideration to Eligible Shareholders accepting the Repurchase Offer will be made by way of Sri Lanka Inter Bank Payment System (SLIPS) transfer/ a Real Time Gross Settlements (RTGS) transfer or via a bank draft as per the Shareholders' instructions in the Forms (FORM A and/or FORM B).

The payment of consideration via SLIPS /RTGS will be made to the Eligible Shareholders to their respective bank account details provided in the Forms (FORM A and/or FORM B) and the bank drafts crossed "Not-Negotiable Account Payee Only" will be drawn in Sri Lanka Rupees for the appropriate amounts and mailed via registered post to such Eligible Shareholders at the risk of such Eligible Shareholders as soon as practicable, but in any case within 10 Market Days from the Closing Date (excluding the Closing Date), i.e. on or before Thursday, 31st March 2022. In the case of joint Eligible Ordinary Shareholders, the bank draft will be drawn in favour of the Eligible Shareholder, whose name appears first in the CDS Account or share certificate.

Non-Resident Shareholders, may provide details of the Inward Investment Account (IIA) or Capital Transactions Rupee Account (CTRA) opened at any licensed commercial bank in Sri Lanka, and the RTGS transfers or bank draft crossed as aforesaid will be drawn in favour of such IIA or CTRA provided in the Forms (FORM A and/or FORM B).

Payments to Eligible Shareholders on acceptances which are not accompanied by the relevant original share certificate(s) and/or other document(s) of title or indemnity/affidavit, but have been treated as valid by CINV will not be released until the share certificate(s) and/or other document(s) or indemnity/satisfactory to CINV are received in accordance with the terms and conditions of the Offer Document.

In case the payment for share repurchase on valid acceptances is not made within 10 market days from the Closing Date of the Repurchase Offer i.e. on or before Thursday, 31st March 2022, Eligible Shareholders accepting the Repurchase Offer will be entitled to an interest up to the actual date of payment, computed based on the last quoted Average Weighted Prime Lending Rate (AWPLR) plus 5% p.a. published by the Central Bank of Sri Lanka.

Upon the payment of consideration to the Eligible Shareholders who accept the Repurchase Offer and subsequent to obtaining the relevant approval of the SEC, CINV will make a request to the CSE and CDS to cancel the shares that are repurchased by CINV. The cancellation of such Ordinary Shares will be notified to the Registrar General of Companies by filing Form 9 [Notice of acquisition by Company of own shares].

6. TAX IMPLICATIONS ON SHARE REPURCHASE

Repurchase of shares is considered as a dividend under definitions laid out in the Inland Revenue Act, No. 24 of 2017 ("IRD Act") and would generally be liable to income tax as a dividend income for the Shareholder. However, dividends declared out of dividend income received are exempt from income tax as per the IRD Act. Similarly, this Repurchase Offer is made entirely out of dividend income received by the Company and hence would be exempt from income tax for both Resident and Non-Resident Shareholders. However,

Eligible Shareholders are advised to seek their independent professional advice regarding tax consequences of a Share Repurchase as tax treatments may differ based on each Shareholder's tax status and tax position taken.

7. DECLARATION BY THE DIRECTORS OF CEYLON INVESTMENT PLC

11th February 2022

We, the Directors of Ceylon Investment PLC, do hereby declare and confirm that this Offer Document has been seen and approved by us, and we collectively and individually accept full responsibility for the accuracy and completeness of the information contained in the Offer Document and confirm that to the best of our knowledge and belief, there are no other facts, the omission of which would make any statements herein misleading in any material respect.

Yours faithfully,

For and on behalf of the Board of Ceylon Investment PLC

Sgd.

Director

Sgd.

Director

ANNEXURES

ANNEXURE I - INSTRUCTIONS FOR COMPLETION OF FORM A AND FORM B

Ceylon Investment PLC, as the company repurchasing its own shares ('Company'), does not in any way represent that the submission by an eligible shareholder of a completed Form A or Form B will be binding on the Company to accept the Shares proposed to be transferred by such eligible shareholders.

Final and absolute acceptance will, notwithstanding anything to the contrary herein contained, be made by the Company, at its discretion and subject to the terms and conditions contained in this Offer Document.

NOTE: all references to acceptance of the Repurchase Offer are subject to the conditions in this Document.

1. Eligible Shareholders of Ceylon Investment PLC who wish to accept the Repurchase Offer must complete and return "Form of Acceptance" (FORM A). Further, an Eligible Shareholder who wishes to tender any additional shares for repurchase (subject to availability) must complete Form for Additional Shares (FORM B) and return both FORM A and FORM B by hand delivery or mail as follows;

If Shares are not deposited with the CDS

The Registrars to the Offer
Central Depository Systems (Pvt) Limited
Corporate Solutions Unit
Ground Floor, M & M Center,
341/5, Kotte Road, Rajagiriya, Sri Lanka

If Shares are deposited with CDS

to Depository Operations of CDS
through your stockbroker or
custodian bank

2. The relevant Forms referred to in item (1) above should be sent at the earliest possible, nevertheless in any case they should be received on or before 4.30 p.m. on the Closing Date of the Repurchase Offer, i.e. Thursday, 17th March 2022.
3. Please ensure that in completing all the Sections, that appropriate boxes are duly ticked (v) and filled. Failure to do so carries risk of your acceptance of the Offer being rejected.
4. If your shares are not deposited with the CDS, please forward the completed "Form of Acceptance" together with the original share certificate(s) and/or other documents of title.

In the event your share certificates are lost, worn out, defaced etc., kindly duly complete the Declaration of Indemnity, as per the format set out in Annexure II.

5. **Section A: Acceptance of the Repurchase Offer (FORM A) and Tendering of Additional Shares (FORM B) (Subject to Availability)**

FORM A

- 5.1. Fill in the date of acceptance

- 5.2. Indicate the number of shares for which the Offer is accepted, and the total repurchase consideration receivable in the appropriate space provided in Column A1 & A3 respectively.
- 5.3. If shares are held in scrip form, fill the share certificate number and the number of shares held in the appropriate space provided.
- 5.4. If the shares are deposited with the CDS, fill in the CDS account number of the Eligible Shareholder from which the shares are to be repurchased.

Form B

- 5.5. Fill in the date and indicate the number of additional shares that the Eligible Shareholder wishes to tender (subject to availability) in the appropriate space provided in columns B1.
- 5.6. If shares are held in scrip form, fill the share certificate number and the number of shares held in the appropriate space provided.
- 5.7. If the shares are deposited with the CDS, fill in the CDS account number of the Eligible Shareholder from which the shares are to be repurchased.

6. Section B: Information on Eligible Shareholder(s)

Eligible Shareholder/s information must be filled. If available, please give a contact telephone number in the cage provided. The details entered in Section B of both forms (i.e. **FORM A and FORM B**) should be the same as appearing in your share certificate or as applicable to the relevant CDS account.

7. Section C: Declaration and Signature(s) of Shareholder(s)

- 7.1 Please tick (v) one of the boxes as applicable. At least one box must be ticked for the acceptance to be valid.
- 7.2 Non-Resident shareholders accepting the Offer should provide their Inward Investment Account (IIA) through which the CINV shares were purchased or Capital Transaction Rupee Account (CTRA), formerly known as the Non Resident Blocked Account, details. The name of the Bank, Bank Branch, Address of the branch and the Account number, should be filled in the space provided. The payment for your CINV shares will be forwarded to the respective bank.
- 7.3 Your signature must be placed in the area names as "Signature of Principal/Sole Shareholder" to indicate your acceptance of offer.
- 7.4 In case of a joint shareholding, the principal/main/first named shareholder in the share register must sign on the space for "Signature of Principal/Sole Shareholder".
If multiple names have been filled in Section B as joint holders, all such joint holders should place their signatures in the areas specified for signatures of the joint holders in Section C.

- 7.5 If the entitled shareholder is a body corporate, the signatures (two Directors/one Director & Company Secretary) should be placed together with the company seal/rubber stamp (placed in the specified area). Signatures and seal should be in accordance with the Articles of Association or other constitutional documents of the entity.
- 7.6 If any document is signed under a Power of Attorney, the original should be first registered in the books of the Company through its Company Secretaries and a copy thereof duly certified by a Notary Public should be sent along with the Forms (FORM A and/or FORM B) on or before 4.30 p.m. on the Closing Date, either to the Registrars to the Repurchase Offer, Corporate Solutions Unit, Central Depository Systems (Private) Limited, Ground Floor, M & M Center, 341/5, Kotte Road, Rajagiriya, Sri Lanka or to the Depository Operations of CDS through your stockbroker or custodian bank, as applicable to you, as mentioned in Section 4.1 of this document. **Please do not forward the original Power of Attorney.**
- 7.7 Each entitled shareholder must sign the Form A and/or Form B in the presence of a witness who is not another joint holder and the witness must state his/her full name, address, NIC/Passport Number and place his/her signature in the spaces provided.

8. Section D: Declaration and Signatures of Offeror

Please do not fill in this section. This section will be duly completed by CINV as the Offeror.

9. Section E: Authorisation to CDS

This section of FORM A and/or FORM B should also be duly completed by Eligible Shareholders who wish to accept the Repurchase Offer and/or tender additional shares which are deposited with the CDS.

Please do not fill the sections applicable to Eligible Shareholder's stockbroker/custodian bank and the CDS. These sections will be duly completed by the Eligible Shareholder's stockbroker/custodian bank and the CDS.

ANNEXURE II – DECLARATION OF AFFIDAVIT AND INDEMNITY

(Please use this form if the Share Certificate(s) are worn out, defaced, lost or destroyed)

(As per Article 33(3) of the Articles of Association of Ceylon Investment PLC)

I/We..... (insert full names) of
No..... (insert addresses)..... (holder/s of
National Identity Card No/Passport No.....) do solemnly sincerely and truly declare and
affirm/make oath and state as follows;

1. THAT I/we am/are the owner/s of and have absolute title to.....(insert number of shares)
shares in Ceylon Investment PLC (“the Company”) and I/we have not transferred, encumbered, lent,
deposited or dealt with the said shares that will have any effect or impact whatsoever to my/our
title and ownership thereto and I/we am/are entitled to be registered in the books of the Company
as a shareholder/s;
2. THAT the certificate(s) for.....(insert the number of shares) shares in the Company
standing in my/our name have been misplaced/lost/destroyed;
3. THAT I/we wish to accept the Offer made by Ceylon Investment PLC by Offer Document
dated.....(insert date); (‘the Offer’) in respect of.....(insert number of shares being
given up for acquisition) shares held by me/us in the Company and I/we hereby request Ceylon
Investment PLC to accept the duly completed Form of Acceptance and Form for Additional Shares dated
..... (as relevant) submitted by me/us without the production of the corresponding original share
certificates due to the aforesaid reason;
4. THAT I/we note that share certificates will not be issued for the balance shares I /we hold subsequent
to the completion of the Offer as per the Directive of the Securities and Exchange Commission made
under Circular No. 08/2010 dated 22nd November 2010 and Circular No. 13/2010 issued by the Central
Depository System (Private) Limited (CDS) dated 30th November 2010 and that I am/we are advised to
open a valid account with the CDS and inform the Company of the same in order to facilitate the
uploading of the balance shares to my/our CDS Account.

I/we hereby undertake to deliver to the Company for cancellation the said original certificate should the
same ever be recovered/found.

The foregoing having being duly read
signed and affirmed/sworn to at
.....on this.....
2022

Rs.50.00 stamp

.....
Signature of Shareholder(s)

Signed Before me
Commissioner for Oaths/Justice of Peace

Authorization of Central Depository Systems (Pvt) Limited

Balance confirmed in Account and shares reserved to the credit of CINV Share Repurchase Acceptance Account

CDS – Authorized Signatory	
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CEYLON INVESTMENT PLC - PQ 68
NO. 61, JANADHIPATHI MAWATHA, COLOMBO 1, SRI LANKA
FORM FOR ADDITIONAL SHARES (SUBJECT TO AVAILABILITY)

(Carefully read the instructions given in the Annexure I of the Offer Document to Repurchase and strictly comply with the same)

Offer made to Shareholders of Ceylon Investment PLC (CINV) as at the end of trading Record Date (hereinafter referred to as Eligible Shareholders) through the Offer Document to repurchase up to a maximum of 993,511 Ordinary Shares on a pro-rata basis of 01 ordinary share for every 102 ordinary shares held at a price of Rs.102/70 per share.

Section A: Acceptance

			Date	D	D	M	M	2	0	2	2
Folio No./CDS Acc	Name & Address of Principal/Sole Eligible Shareholder	Number of shares available for additional repurchases (a1-a2)	B1				B2				
			Number of shares accepted for repurchase				Repurchase consideration price per share (Rs.)				

Name(s) of joint eligible shareholders (if applicable)

(1)	(2)
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I/We, the Eligible Shareholders of CINV whose details appear in Section B below for consideration as detailed in the Offer Document to repurchase forwarded by CINV do hereby tender for repurchase by CINV the shares of CINV as stated in Section A, subject to availability, stated in my/our name(s) in the books of CINV. The shares tendered herein for repurchase are shares in addition to the shares in respect of which I have accepted the Repurchase Offer of CINV as specified in 'Form A – Form of Acceptance, or which are less than the minimum number of shares that can be tendered for repurchase by CINV (by way of submitting an acceptance by completing 'Form A – Form of Acceptance), as the case may be.

I/We agree and acknowledge that I/We will be deemed to have accepted the Repurchase Offer by CINV for such further number of shares, out of the shares specified herein, that CINV determines it will repurchase.

My/Our CINV shares are currently (please tick (v) as applicable):

() **held in script form (to be completed by Eligible Shareholders who hold share certificates)**

I/We enclose my/our share certificate(s) number(s)..... for shares on the condition that any excess shares over and above the number of shares accepted by me/us shall be retained by the Company standing in my name in the share register until such time a CDS account is opened by me/us and such details are informed to the Company Secretaries in writing.

() **deposited with the CDS**

My/Our shares are deposited in the Central Depository Systems (Private) Limited (CDS) and my/our account number is as follows.

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I/We having my/our shares in the afore mentioned CDS account have completed the Section E, which gives authority to the CDS to credit the additional shares tendered by me/us into CINV Share Repurchase Additional Share Account. I/We understand that any excess shares over and above the number repurchased by CINV will be credited back to my/our CDS account within 10 market days of the closure of the Repurchase Offer.

I/We understand that the amount due to me/us as consideration for my/our shares which are transferred hereby shall: as a **Resident Shareholder** – be made in accordance with the instructions provided in Section C to the principal/sole shareholder stated in Section B below, as a **Non-Resident Shareholder** – be made to Inward Investment Account (IIA) or Capital Transaction Rupee Account (CTRA) as applicable; the details of which I/we have provided in Section C.

Section B: Information on Eligible Shareholder(s)

		Contact No.	NIC No./Passport No. Company Registration No.
Principal/Sole Shareholder (Dr./Mr./Mrs./Ms./Other)	Name:		
	Address:		
1 st Joint Shareholder (Dr./Mr./Mrs./Ms./Other)	Name:		
	Address:		
2 nd Joint Shareholder (Dr./Mr./Mrs./Ms./Other)	Name:		
	Address:		

Section C: Declaration and Signature(s) of shareholder(s)

I/We the shareholder/s of CINV mentioned in Section A, hereby expressly and solemnly state and confirm and declare that the information set out herein by me/us are true and correct and be relied on and acted upon by CINV and that;

In respect of resident shareholders/institutions incorporated in Sri Lanka –

() I/We confirm that I am a/we are residents of Sri Lanka or a Private/Public Company/Corporation incorporated in Sri Lanka.

Please tick (v) one of the boxes as applicable to you. Please refer Enclosure II for further details.

() Please remit via Bank Draft or Cashier’s Order in favour of the principal shareholder stated in Section B above crossed “Not Negotiable and Account Payee Only” and mail to me/us at my/our own risk to the address appearing in Section B above.

() Please remit any amount due to me/us via SLIPS transfer in favour of the principal shareholder stated in Section B above to the account detailed below.

Bank Code	Branch Code	Account Number															

IMPORTANT: Kindly Ensure to provide correct & accurate information. Please contact your bank branch to clarify any doubts.

In respect of non-resident shareholders/Institutions incorporated outside Sri Lanka –

() I/we confirm that I am a/We are Citizen(s) of Sri Lanka residing outside of Sri Lanka or Non-Citizens of Sri Lanka or Company/Corporation incorporated outside Sri Lanka.

I/We give below the details of the Principal Shareholder’s Inward Investment Account (IIA)/Capital Transaction Rupee Account (CTRA) to which the payment due to me/us should be deposited;

Name of Bank	
Bank Branch	
Address of the Bank	
Account Number	

	Name of Eligible Shareholder	Signature	NIC no./Passport no./Company Reg no. and Company Seal as applicable
Signature of Principal/Sole Shareholder			
Signature of 1 st Joint Shareholder			
Signature of 2 nd Joint Shareholder			

Authorization of Eligible Shareholder’s Stockbroker/Custodian Bank

We hereby give consent to credit the number of shares aforementioned from my/our CDS client’s CDS Account to CINV Share Repurchase Additional Share Account, on receipt of this Form for Additional Shares by the CDS.

Name of Stockbroker/Custodian Bank	Authorized Signatory	Designation	Date

Authorization of Central Depository Systems (Pvt) Limited

Balance confirmed in Account and shares reserved to the credit of CINV Share Repurchase Additional Share Account

CDS – Authorized Signatory	
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