

Tea Smallholder Factories Ltd (TSFL) public offer over-subscribed

The public offer of TSFL, which opened for subscription on Monday the 3rd of June, was heavily oversubscribed by Thursday the 6th of June. The offer, which comprised of 5.85m ordinary shares at an offer price of Rs.12.00 amounting to Rs 70.2m, included 2.85m ordinary shares reserved for allotment on a preferred basis to the registered tea smallholders of the company. The public component of the offer, which closed its list on Friday the 7th June, attracted 1,382 applications amounting to approximately Rs 134m. Given the inactivity at the Colombo stock market, the public response to this offer was tremendous. The registered tea smallholders component of the offer would be kept open till the 1st of July 1996.

Tea smallholder factories Ltd., was privatised in 1992 under the government's privatisation programme. A consortium of investors comprising John Keells Holdings Ltd., Central Finance Co. Ltd, and National Development Bank of Sri Lanka, who successfully tendered for the shares on offer, purchased 51% of the issued share capital. The company is managed by John Keells Holdings Ltd.