Colombo Dockyard PLC
Ship Repairers, Ship Builders and Heavy Engineers

7th December 2024

Mr. Renuke Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
World Trade Center
Colombo 01

Dear Sir,

Announcement of the change in the Directorate

Colombo Dockyard PLC wishes to state that the Board of Directors of the Company have been informed by Onomichi Dockyard Company Limited of Japan ("**Onomichi**"), which is the Company's majority shareholder, that it has decided to withdraw from the management of the Company and the Management Agreement it has had with the Company, respecting the Company's intention to find a new strategic investor.

Consequently, in accordance with this decision, Messers. T. Nakabe, K. Kobatake and J. Furukawa, who were Onomichi's nominees to the Board of the Company have resigned from the Board with effect from the 6th of December 2024. (Messers. T. Nakabe, K. Kobatake and J. Furukawa do not hold shares in the Company as of 06/12/2024).

Mr. L. Ganlath, who has been a director of the Company since 1993, has been appointed as the Non-executive Chairman of the Company with effect from such date. (Mr. Ganlath holds 578 shares in the Company as of 06/12/2024)

As was previously disclosed in relation to emphasis of matter on going concern in the audited financial statements of the Annual Report for the year ended 31/12/2023 , the Company is faced with a financial crisis that has escalated over the years as a result of various external and internal factors. However, given the long term potential of the Company's business and other factors such as the strategic advantage enjoyed by the Company by virtue of its location, the Board of Directors remains confident that it will be able to steer the Company out of the present crisis with the support and cooperation of its many stakeholders. The Board of Directors is also aware of the importance of the Company continuing its operations in the larger interests of its creditors, employees and other stakeholders.

The Board of Directors is cognizant of the critical need to find a strategic investor to replace Onomichi. Preliminary discussions are ongoing with several parties for this purpose. The Board of Directors has been assured by Onomichi that it is prepared to exit from their investment in the Company by the disposal of its shares to any strategic investor who would be willing to make a commitment towards the Company. Accordingly, preliminary discussions are already taking place with certain parties who have expressed an interest in investing into the Company. The Company has also informed its key creditors of the exit of Onomichi and the Board's intent to continue its operations with a potential new partner and has received an assurance of support.

The Board of Directors wishes to severely caution investors against unnecessary speculation on the shares of the Company, since there is no certainty whatsoever as yet on the finality of an entry of a new investor or, even more so, the terms and conditions on which such engagement could be entered into.

The Board of Directors assures its shareholders and all other stakeholders that it will keep them fully informed of any material developments that take place in the future.

Yours sincerely,

By Order of the Board of
COLOMBO DOCKYARD PLC

Manori Mallikarachchi
Secretary

Manori P. Mallikarachchi
Legal Consultant / Company Secretary
Colombo Dockyard PLC
(PQ 50)