



2nd February 2022

Mr. Renuke Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
No.04-01, West Block
World Trade Centre
Colombo 01.

Dear Sir,

BLUE DIAMOND JEWELLERY WORLDWIDE PLC (“the Company”)
EMPHASIS OF MATTER ON GOING CONCERN

We write in terms of Rule 7.5(d)(ii)(A)(6) of the Listing Rules (“Rules”) of Colombo Stock Exchange (“CSE”) and the Company hereby announce that the securities of the Company were transferred to the watch list on 16th December 2019, due to the emphasis of matter on going concern contained in the Independent Auditor’s Report for the year ended 31st March 2019. In addition to the above the emphasis of matter on Going Concern revealed in the Independent Auditor’s Report for the year ended 31st March 2021 was seen as an additional reason for the Company to be on the watch list with effect from 26th October 2021.

At the request of the Company, the Securities and Exchange Commission of Sri Lanka (SEC) granted an extension for the deferment of suspension of trading of securities of the Company from 31st December 2021 to 30th June 2022.

Proposed action to be taken by the Company to resolve the matter:

The Company provided a business plan, with a forecasted sales expectation to the SEC with an outline of both export and local business. The Directors are confident that the Company will recuperate the going concern, especially considering the speed at which the Company’s markets are opening up and its strategy in pursuing multiple avenues to increase sales, profits and net assets.

Remedial measures are being taken by the Company to be compliant with the Rules.

The Company further announces that;

- i. In the event of any deviation from the proposed remedial action, the extent of the deviation shall be communicated to the investors by way of a subsequent announcement to the Market via the Exchange within one (01) Market Day from the date of obtaining the approval of the Board of Directors of the Entity for such deviation.
- ii. In the event the matters giving rise to the emphasis of matter on going concern are not resolved within a period of fifteen (15) months from the date of transferring the Securities of the Entity to the Watch List, the trading of Securities of the Listed Entity shall be suspended. In the event the trading suspension continues for a period in excess of twelve (12) months, the securities of the Company shall be delisted by the Board of Directors of the CSE in terms of Rule 11.3 (a) of the Listing Rules.
- iii. In the event the matters giving rise to the emphasis of matter on going concern are resolved and such fact is independently verified by an auditor during the period the Securities of the Company are on the Watch List, it shall be announced to the Market via the CSE forthwith.

Yours faithfully,

For and on behalf of

Blue Diamond Jewellery Worldwide PLC



JANASHAKTHI CORPORATE SERVICES LIMITED

Secretaries