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Company Registration Number : PQ150



01st February 2023

Ms. Nilupa Perera

Senior Vice President - Trading Operations, Market Surveillance & Corporate Affairs

Colombo Stock Exchange

#04-01 West Block

World Trade Centre, Echelon Square,

Colombo 00100

Dear Madam,

Ceylon Printers PLC (“the Company”) – Emphasis of Matter on Going Concern in the Audited Financial Statements of the Annual Report for the year ended 31st March 2021

In terms of rule 7.5(d)(ii)(A)(4) of the CSE Listing Rules (Enforcement Rules), Ceylon Printers PLC (the Company) hereby announce that the securities of the company has been transferred to the watch list, due to the Independent Auditor’s Report on the Audited Financial Statements containing an emphasis of matter on going concern.

- a) On 20th June 2022, the company announced that the Management had commenced a comprehensive review of the printing business and is working on plans to restructure the business.
- b) The Company is facing constraints in obtaining supplies of imported raw materials due to the on-going foreign exchange crisis faced by the country. This would include curtailing of the printing business due to the aforementioned constraints.

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

- I. The company has initiated plans to restructure the operations and implemented measures to reduce the overheads and operating costs. This process is ongoing.
- II. The company is utilizing the available stock of raw materials to continue servicing the existing clientele in partnership with other entities in the printing industry.

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 company for such deviation.
- II. In the event the matters giving rise to the qualified audit opinion and/or the emphasis of matter on going concern (as applicable) 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 even the trading suspension continues for a period in excess of twelve (12) months, the securities of the Entity 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 Entity are on the Watch List, it shall be announced to the Market via the CSE forthwith.

By order of the Board

Ceylon Printers PLC

Mr. L. I. Ratnasabapathy

Chairman/ Managing Director