



LAXAPANA BATTERIES PLC

27th May 2020

Mr. Renuke Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
04-01, West Block
World Trade Centre
Colombo 1.

Dear Sir,

Extension of Timelines for submission of Financial Statements and Enforcement Action

We refer to the circular no. 03-04-2020 dated 10th April 2020 under the above caption, issued by the Colombo Stock Exchange.

We wish to make the following disclosures with regard to submission of Q4 Interim Financial Statements for the period ended 31st March 2020 of Laxapana Batteries PLC.

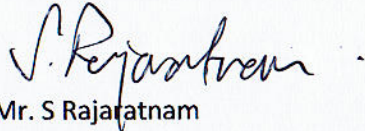
Since our business operations were impacted by the curfew restrictions imposed by the Government of Sri Lanka as a measure to control the spread of COVID-19 pandemic, we are unable to submit the Q4 Interim Financial Statements for the period ended 31st March 2020 to the CSE on the due dates currently specified in the Listing Rules.

- 1) Turnover of Laxapana Batteries PLC (the Company) for the 4th Quarter and the year ending 31st March 2020 are Rs. 32,662,725/- and Rs. 155,085,803/- respectively.
- 2) With all safety measures, we gradually started our distribution channels strictly under the guidelines issued by the Government of Sri Lanka. Steps have been taken to continue work from home with secured access to operating systems and reduce the number of employees in the work place whose physical presence is not essential. Our business operations were not eligible to receive fiscal and monetary concessions (debt moratorium reliefs) introduced by the Central Bank of Sri Lanka for COVID-19 hit businesses.
- 3) It is expected that the current situation would have a significant negative impact on the revenue and profits of the Company at least in the 1st half of the financial year 2020/21. We are of the view that the COVID-19 impact on our Steel wire segment will not be long-term. However, we do not expect a significant impact on our future revenue of hardware products when the normalcy returns. Nevertheless, we recommend that investors, who wish to trade, take into account the present global economic situation and market uncertainties.

- 4) We have informed our Board of Directors, Key Management Personnel and other related parties who have access to unpublished price-sensitive information to take additional precautions in the event they intend to trade during the delayed period of information submission.

Yours faithfully

LAXAPANA BATTERIES PLC

A handwritten signature in black ink, appearing to read 'S. Rajaratnam', is written over the printed name.

Mr. S Rajaratnam
Director