

M&S Managers & Secretaries (Private) Limited

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Company Reg. No.: PV 5625

CS:ng

February 25, 2020

Ms. Nilupa Perera
Head of Trading
Market Surveillance & Corporate Affairs
Colombo Stock Exchange
World Trade Centre
Colombo 01

Dear Madam,

**MERCANTILE SHIPPING COMPANY PLC –PQ 148
NON-SUBMISSION / DELAYED SUBMISSION OF INTERIM FINANCIAL
STATEMENTS IN TERMS OF 7.4 (c) OF THE LISTING RULES OF THE CSE.**

Reference to subject, consequent to the securities of the Company been transferred to watch list due to non- submission / delayed submission of interim financial statements. The Company wishes to state that:

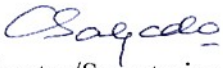
- i) In the event of any deviation from the proposed remedial action, the extent of the deviation shall be communicated to the investors by way of a subsequent announcement to the Market via the Exchange within one (01) Market Day from the date of obtaining the approval of the Board of Directors of the Company for such deviation;
- ii) In the event the Company fails to implement such remedial action within three (3) months from the date of transferring the Securities of the Company to the Watch List, the trading of Securities of the Company shall be suspended by the CSE; and
- iii) In the event of such trading suspension continuing for a period of twelve (12) months, the securities of the Company shall be delisted by the Board Directors of the CSE in terms of Rule 11.3 (a) of the Listing Rules.

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Remedial action taken and time period

The Company is awaiting certain clarifications from the Nord LB Bank in Germany to finalize the quarterly accounts, which is expected shortly to resolve the matter.

By order of the Board
MERCANTILE SHIPPING (COMPANY) PLC
MANAGERS AND SECRETARIES (PRIVATE) LIMITED


Director/Secretaries