



22 April 2020

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

Dear Sir,

**RE: CIRCULAR NO 06-04-2020 – DISCLOSURE REGARDING IMPACT OF COVID 19 ON
BUSINESS/OPERATIONS OF CEYLON TOBACCO COMPANY PLC (CTC)**

With reference to your Circular dated 20 April 2020, we hereby disclose the following with regard to our business/operations in view of the ongoing COVID-19 pandemic.

The impact of and response to COVID-19:

From 20th March 2020 onwards, CTC has been operating its business strictly in conformity with Government guidelines and directives issued from time to time with regard to the implementation of curfew, work from home arrangements and health and safety measures.

During this period the primary focus of the company has been to ensure the continuation of business activities subject always to the health and safety of employees as well as the work force of all extended value chain partners.

As such we have implemented our Work from Home Policy for all office-based employees. All other employees have on a need-only basis been engaged to carry out limited critical responsibilities subject to taking all necessary health and safety precautions.

Utilizing IT facilities, the company has been able to seamlessly connect all employees to facilitate remote working conditions and maintain communication channels to continuously advise employees on their health, safety and wellbeing.

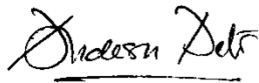
In the circumstances during the said period, sales have been impacted due to product access restrictions faced by consumers and retailers as a result of the island wide curfew intermittently imposed to contain the COVID-19 pandemic. Management is implementing business continuity plans and driving for efficiency improvements across the value chain to mitigate this impact during and post this crisis.

Impact on company's future operations and financial condition:

Whilst acknowledging and appreciating the timely and effective measures being taken by the Government to contain the COVID-19 pandemic in Sri Lanka, CTC will continue to operate within the limitations and safeguards required to ensure the health and safety of its employees while continuing to support the Government with much needed revenue.

In view of the rapidly evolving dynamic environment created by the COVID-19 pandemic, the Management will continue to closely observe the market developments and take all decisions and measures in order to ensure CTC remains a going concern and continues to deliver shareholder value.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Sudesh Peter', with a horizontal line drawn underneath it.

Sudesh Peter
Company Secretary
CEYLON TOBACCO COMPANY PLC