



**CARSONS MANAGEMENT SERVICES (PRIVATE) LIMITED**  
*No. of Company PV 315*

5<sup>th</sup> May 2020

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

Dear Sir,

**Our Ref.: WAPO/CSE/ANN/2020/01**

**ANNOUNCEMENT**

**GUARDIAN CAPITAL PARTNERS PLC ("the Company")**  
**DISCLOSURE REGARDING IMPACT OF COVID-19**

The following disclosure is made in accordance with the Colombo Stock Exchange Circular No.: 06-04-2020 dated 20th April 2020.

As at 31st December 2019 close to 70% of the assets of the Company were held in fixed income instruments.

The private equity investments held by the Company are in two sectors, namely the Human Resources Information Systems (HRIS) sector and Online Travel Agency (OTA) sector. These are experiencing a challenged operating environment due to the COVID-19 induced slowdown.

The slowdown in economic activity will push customers of the HRIS sector in Sri Lanka and other international markets to delay spending on software in the short to medium term. This in turn will affect the topline performance and profitability of the investment in this sector.

International air travel has come to a complete standstill at the moment. Even after countries start to ease current restriction on travel, it may take several months more for air travel to return to some form of normalcy. A full recovery is only expected by some after only a vaccine has been successfully developed. As a result the investment in the OTA sector has experienced a sharp slowdown in business and could take a long time to recover than other industries. Further the current situation will also delay fund raising activities planned by them.

Taking the above into consideration, as part of our annual process, we are reviewing the valuations of the two private equity investments and may have to revise valuations down if required.

The share price of LVL Energy Fund PLC has decreased substantially in line with the overall market.

The above disclosure is made based on the information available at this point of time, as the business environment will continue to evolve with many challenges in the coming months, which cannot be predicted.

Yours faithfully,

For and on behalf of

**GUARDIAN CAPITAL PARTNERS PLC**

Carsons Management Services (Private) Limited

Director

Secretaries

SP/TJ