



PORTDENARAUMARINA

## MARKET ANNOUNCEMENT FOR IMMEDIATE RELEASE

*Thursday, 2<sup>nd</sup> July 2020*

### Port Denarau Marina (PDM) COVID-19 Operational Update - July

The Port Denarau Marina Board would like to take this opportunity to update our valuable shareholders on the effect of Covid-19 and the related travel restrictions on the continuing operations of our business.

We would like to commend our staff for their commitment and understanding over the last few months and we are very happy that all are back at work and no longer working from home. The Repairs and Maintenance team have made great progress on the ground with all repairs completed from the damage caused by the last two cyclones as well as continuing with our general repairs and maintenance schedule.

Operationally, the commercial marine arm of our business is in hibernation as most commercial operators have their vessels tied up with skeleton staff. This is likely to continue until air borders open. As landlord, we have significantly reduced the rental charges to 25% of normal rent to our commercial operators as well as our workshop and office tenants. We have committed to this until October 2020 when it will be assessed again. Our tenants are very appreciative of this initiative and we hope to retain the majority throughout these difficult times with the view of all hitting the ground running once we see tourists back on our shores.

Our boat yard, private berthing and fueling services are fully operational.

Covid-19 has significantly affected the finances of PDM and the board are constantly analyzing our budget, forecast and cashflow. Although we are still forecasting a profit for this financial year, the board have decided not to declare an interim dividend. This decision has been made to ensure that we have adequate cashflow in the short to medium term.

On a very positive note, the Prime Minister, Voreqe Bainimarama has announced that Fiji is establishing safe “Blue Lanes”, open to those yachts and pleasure craft sailing to Fiji. He says being alone at sea is a verifiable, self-contained quarantine which means

anyone coming by pleasure craft to Fiji, so long as they haven't interacted with others, are very low-risk, but their economic impact is very high-reward.

The opening of borders to tourist and yachts are under strict conditions where approval is not automatic and each application will be specifically assessed by the border agencies

To begin the first stage of tourism reopening in Fiji, Port Denarau Marina will be the pilot program and the only port of entry into Fiji.

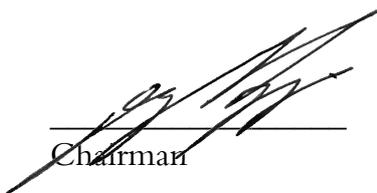
This initiative has been driven by PDM Management, our agents and other stakeholders, and is already seeing a great uptake. We have over 100 yachts and superyachts currently requesting permission to travel to Fiji and look forward to having a full marina within the next 6 weeks.

Port Denarau Marina has completed our digital re-registration requirements with the Registrar of Companies.

At this stage the board are confident that we will be able to meet our normal reporting deadlines of the release date of our audited accounts, annual report and the holding of our AGM.

We would like to take this opportunity to thank our staff, customers and shareholders for your continual support of Port Denarau Marina during these challenging times.

Yours faithfully,



Chairman



Director

