



**FMF Foods Limited**

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G.P.O. Box 977, Suva, Fiji

Head Office: Leonidas Street, Walu Bay, Suva, Fiji.

## **Market Announcement**

### **Impact of Covid-19 on the Business**

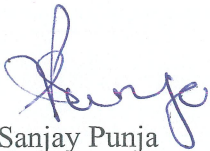
The second wave of coronavirus infections has hit Fiji harder, with new cases rising every day, especially in the Central division of Viti Levu. To control the situation, the Government has imposed stricter measures including lockdown, extended curfew hours, and allowing only business deemed to be essential to operate within the lockdown areas.

For FMF Group, its business is falling under the essential category and thus has been operating in full swing ensuring that all safety, precautions, and Covid protocols being followed. Due to the lock-downs in Lami, Suva, Nasouri areas, the company has been making necessary arrangements to ensure the availability of employees in the near vicinity of our factory to manage the operations, though these measures have increased the production, administration, and logistics costs. The overhead has further gone up to meet the Covid safety protocols. With the lockdown in many countries and the port congestions, we are witnessing erratic shipping schedules coupled with the increase in raw materials costs and logistics costs. The economic downturn following the pandemic and the current containment measures have affected consumer spending and we are seeing a reduction in our sales volumes which will have an impact on the year-end financials. We have put on hold all major new capital expenditure programs in light of the adverse economic and business conditions.

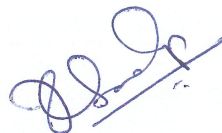
While it is estimated that the negative impact of the Covid-19 would continue to impact the business and financials till the end of the year 2021, it now depends on how fast we will be able to contain the second wave of infections locally and resumption of international borders and tourism inflow to the country, thus bringing the economic recovery. We have already declared and paid the dividend for the financial year 2020-21 and at this stage, expects to conduct the annual general meetings of the listed entities within the Group as per the normal period.

As has been reiterated in our previous communication, in these times of uncertainty, one thing FMF Group is making certain of is to ensure that our customers are supplied with the needed food products uninterruptedly.

We wish all Fijians good health and hope with the vaccination drive and other curb measures, we contain the second wave of Covid infection fast to bring back some normalcy.



Sanjay Punja  
Managing Director



Sandeep Kumar  
Company Secretary

Place: Suva

Date: 31 May 2021

• Atlantic & Pacific Packaging Company Limited • Biscuit Company of Fiji Limited • The Rice Company of Fiji Limited  
• Pea Industries Limited • FMF Snax Limited • DHF Limited • FMF Investment Company Limited  
• Bakery Company (Fiji) Limited