
PRESS RELEASE

BELIZE TELEMEDIA LIMITED

ANNOUNCEMENT

Today, Belize Telemedia Limited/Digi (BTL) announced a workforce reduction of 4 percent to align its business and enable nimbler recovery focused operations. We explored and exhausted many options, unfortunately these efforts were not enough. This difficult but necessary redundancy exercise addresses the structural overcapacity the organization is experiencing due to the economic headwinds from the COVID-19 pandemic which began in March 2020.

The Company has seen an unprecedented decline in revenues of \$33 million dollars over the last fiscal year April 2020 to March 2021. As a result, 24 employees have been made redundant. This follows numerous cost optimization measures implemented in addition to a decline in the demand for services. This redundancy exercise was obligatory to offset the contraction in demand for our services. Starting in April 2020 and in the months to date, management engaged with the entire staff body to advise of the potential outcome of this extraordinary time that our economy was and is still experiencing. The staff body was provided with cost optimization measures that would be implemented in phases (immediately, short term, medium to long term) depending on the severity of the looming economic realities. Immediately after the pandemic began, the company embarked on an ambitious cost optimization program which at the end of March 2021 yielded savings of about \$24 million. These measures included:

- hiring freeze;
- reducing planned capital spending;
- reducing operational expenses;
- reducing management salaries and allowances;
- foregoing management bonuses;
- reducing staff allowances and deferring staff bonuses; and
- reducing Board of Directors stipend

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"The BTL Leadership Team has worked diligently and tirelessly each month to navigate these turbulent and unpredictable times. This reduction in workforce is a difficult but necessary step, and one that we take with great sadness," said Ivan Tesucum, Chief Executive Officer of BTL. "We are deeply grateful for the unwavering support over the years from our dedicated employees. We are keen on treating everyone with the greatest respect and consideration throughout this process. Further, we are focused on ensuring the viability of our company as we steer our organization to recovery in the coming months and years. This necessary restructuring will in no way impact the level of service we provide to our valued customers. I am confident that our capable and resilient team combined with the right approach will find the opportunities in these challenging times to guide BTL through the worst economic period of our country."

The reductions come into effect beginning today and the management of BTL has worked closely with the Employee's bargaining agent, the Belize Communications Workers Union, and the Labor Commissioner to implement these changes, respecting always the terms and philosophy of the collective bargaining agreement as well as abiding by the Labor Laws of Belize. In addition to the statutory packages being paid out, all employees affected are receiving added benefits to assist with this transition.

As previously reported via Press Release on April 12, 2021 by the Government of Belize Press Office, the COVID-19 pandemic has resulted in a country economic contraction of over 14%. This is expected to continue to have a negative impact on demand for our products and services and may not return to pre COVID-19 levels for a couple of years.

Belize Telemedia Limited/Digi (BTL) remains focused on maintaining its position of strength as "Our National Telecom", and to continue to be the leader in the telecom industry. We are redefining the future of our organization by adapting to the new market realities and being more innovative and efficient, which is the only sustainable path to improved profitability.