



COVID 19 Impact on Highway 2000 East-West Traffic

June 16, 2020

Dear Stakeholders:

As mentioned in our Financial Statements for the quarter ended March 31, 2020, the COVID-19 pandemic which affects almost all the world's economies, has also impacted Transjamaican Highway Limited.

The first two months of this year were marked by a 2.1% increase in toll transactions compared to the same period last year. However, the impact of national measures taken to limit the spread of the virus has been weighing on our motorway traffic since mid-March 2020: the decrease in traffic for the month of March was 19.3% following the closure of schools, all island curfews and the 'work from home' order issued by the Government of Jamaica for non-essential workers.

The month of April 2020 saw a significant decrease (-52% when compared with April 2019) due to additional measures introduced such as the lockdown of the parish of St Catherine, which started on April 15. The end of this confinement on May 1 was immediately followed by an increase in traffic on the motorway, as the decline fell to 34.2% when compared to May 2019.

The trend being observed thus far for the month of June 2020 (-20% when compared to the previous year) confirms a gradual recovery in traffic and is anticipated to continue throughout the month. We estimate that the overall decline for the first semester of 2020 will also be close to 20%, subject to confirmation once the month has ended.

However, given the uncertainties still hanging over the pace of economic recovery and the measures that could again be taken to stem the health crisis we are experiencing, it is difficult at this time to make a revised forecast for the second half of the current year. It is to be noted that the initial forecasts for 2020 showed traffic growth of around 1% compared to 2019 where the number of transactions were 24.2 million (66,223 vehicles per day).

About Transjamaican Highway Ltd:

TJH is the concession company that operates the East-West section of Highway 2000 (50 km from Kingston to May Pen and the Portmore Causeway) through a concession agreement signed in 2001 for a 35 years period.

After the repurchase of TJH's shares from its historic shareholders (notably the French companies Bouygues Travaux Publics and Vinci Concessions) by the National Road Operating and Constructing Company Ltd in December 2019, the company was listed on the Jamaica Stock Exchange in March 2020.

As part of the refinancing of its former loans, secured notes for MUS\$ 225 were issued by the company at the beginning of this year, being rated B+ by S&P Global Ratings and BB- by Fitch Ratings.

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