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MEDIA RELEASE

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O&L LEISURE IMPLEMENTS RESCUE MEASURES TO SECURE BUSINESS CONTINUITY

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"The devastating impact of the COVID-19 pandemic on the tourism industry in particular, and the commensurate mitigating measures taken by governments around the world whereby industry revenues collapsed, can be described as worse than the worst-case scenarios anticipated locally and globally", says **Norbert Wurm, Managing Director of O&L Leisure**.

In a statement issued on Wednesday, 21 July 2021, O&L Leisure – a subsidiary of the Ohlthaver & List (O&L) Group – announced its decision to introduce urgent rescue measures to safeguard the future sustainability of its business and mitigate the risk of the impact on an already crippled tourism sector. Says **Wurm**: "With the pandemic continuing to impact us negatively and the current government regulations and health measures including restrictions on trading in our restaurants and international travel regulations linked to infection levels, we are further hampered in our ability to operate our business resulting in this situation becoming unsustainable. Our focus during and throughout this crisis has always been to trade our way out of this difficult situation, with emphasis on revenue generation, while reducing costs without reducing standards and simultaneously protecting livelihoods. Unfortunately, the 3rd wave of the pandemic has hit the region and our business, like many others, hard especially during the second quarter of the year."

During the entirety of the crisis until recently, O&L Leisure has reduced overtime costs and adjusted work schedules, amongst others, while choosing not to resort to restructuring, retrenchments, or mandatory salary reductions. "In an effort to alleviate the pressure and safeguard the wellbeing of our employees and sustain our business, we unfortunately have no other choice but to take necessary measures to ensure we overcome the short-term challenges facing us. Having exhausted all other alternatives, our focus remains on securing jobs and livelihoods in a sustainable manner while requiring a collective sacrifice by all, whereby we urgently need to reduce our operating requirements in line with forecasted activity and in terms of section 12 of the Labour Act", **Wurm** said.

O&L Leisure has as such effected the following **temporary** measures at its various properties/sites with basic salary reductions of between 25-50% (depending on level of activity) (not total Cost to Company/CTC incl. allowances and benefits, etc.), **effective 1 August 2021 to 30 October 2021**:

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- **Chobe Water Villas** and **Mokuti Etosha Lodge** will be closed temporarily until 1 October when it will be reopened.
- **Strand Hotel Swakopmund** will remain open for business with reduced operations and its Farmhouse Deli remaining in operation for in-house guests and take-away.
- **Midgard Country Estate** will remain open for business and at full operation with ongoing training and construction for official opening towards the end of September.
- **The O&L Leisure Central Office** will also reduce working hours between 25% and 50%, depending on work requirements, and remuneration adjusted accordingly.

"These are trying times and while we had hoped to overcome this crisis, we now have the opportunity to become more resilient than ever before by collectively taking hands and pushing through this crisis, together. Guided by our collective Purpose of '*Creating a Future, Enhancing Life*' that requires us to be responsible and our Vision 2025 which is '*to be a catalyst for positive change, creating new realities, and fulfilling dreams*', I am confident and inspired by our team's passion and resilience that speaks for itself, and therefore have no doubt that we will unite in finding breakthroughs to overcome this crisis as we cannot afford to put our jobs and livelihoods; and, indeed the future of our business, at risk.

I would like to take this opportunity to express our sincere gratitude and appreciation to our people – our valued employees – for their commitment and sacrifice as well as our valued stakeholders and customers for your continued support over the last fifteen (15) months as we navigated through these troubled waters. Please note that the measures implemented are **only temporary** and we look forward to welcome you to the iconic Strand Hotel Swakopmund as well as the new and exciting, revamped Midgard - where you can still experience and enjoy our warm Namibian hospitality, world-class food and service excellence while having a good time away from home. We are also confident and optimistic that our Chobe Water Villas and Mokuti Etosha Lodge will reopen on the 1st October and therefore welcome you to make your bookings in advance to avoid disappointment. Let us take hands, endure and overcome this together to ensure the future for ourselves and each other, our country, our children and generations to come", **Wurm** concluded.

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