

11th May 2022

PRESS RELEASE

Agreement Signed for the New Custom Inspection Warehouse Facility



Mr. Tevita Fatafehi Puloka (Managing Director, Puloka Construction Ltd) and Mr. 'Alo ki Hakau Maileseni (Acting CEO, Ports Authority Tonga), Ports Authority Tonga, Queen Salote Wharf. 5th May 2022.

Ports Authority Tonga and the Puloka Construction Ltd on the 5th of May 2022 signed a \$3.2 million agreement for phase one of the works for the New Custom Inspection Warehouse Facility.

Over the years, the severe operational bottlenecks and the fundamental issues of aligning people, processes, and technology at the Port of Nuku'alofa for Customs and Quarantine inspection became an issue. One of the current operational bottlenecks is the lack of area and facility for Custom to carry out the cargo inspection thus causing delay in cargo clearance during the peak season.

Given the obligation of Ports Authority Tonga under the Ports Authority Act to facilitate trade by providing sufficient port facilities, the Authority felt the need for the upgrade of the existing Custom warehouse and the construction of a new cargo inspection facility.

The project will provide a proper facility for efficient and effective cargo clearance at the Port of Nuku'alofa. This need also became more apparent as Tonga embarked on the war against the importation and illegal trade of illicit drugs in response to His Majesty King Tupou VI's statement at the National

Symposium on Illicit Drugs. His Majesty stated that *"the Problem of illicit drugs is a national issue that requires an urgent integrated national response and government must allocate and prioritize finances towards this important endeavor as a matter of urgency"*.

The project will be implemented in two phases. Some of the major components of phase one is the construction of the New Cargo Inspection Facility which will feature two office complexes for PAT and Custom officers, nine bays for dry inspection services, four bays for frozen inspection services and one bay for storage. This phase is proposed to be implement first in this financial year 2021/2022. Phase one considers the installation of CCTV cameras at the inspection area to improve the supervision of containers the installation of a Customs scanner for container inspections. This warehouse, upon completion, will be the first and only one of its kind in Tonga.

Phase two involves the Upgrade of the Existing Custom Warehouse featuring the extension of the north verandah for container devanning and cargo pick-up services, east extension for public waiting area and café and modification of warehouse interior for new offices for the Custom, Guarantee and PAT officers to overlook the entire internal cargo sorting and processing operations. PAT hopes that the new set up will also accomplish the idea of a one stop shop for customers. This phase is to be implemented after the completion of phase one which is planned for the financial year 2022/2023.

Since this type of project does not generate any real return to the Authority, PAT sought the assistance of the Government of Tonga at its Annual General Meeting for a cost sharing arrangement on this project through dividend paid to the Shareholder.

PAT acknowledges the Architect who is also the Project Supervisor, Mr. Lisiate Tupou of Quality Design and the Authority's Infrastructure and Technical Services Major Projects Manager, Mr. Andrew Niukapu for working collaboratively on the technical aspects and design of the project.

The agreement for the project was signed by Mr. Tevita Fatafehi Puloka (Managing Director) on behalf of the Puloka Construction Ltd and Mr. 'Alo ki Hakau Maileseni (Acting CEO) on behalf of Ports Authority Tonga in the Authority's head office at Queen Salote Wharf.

-ENDS-

Issued by the: Ports Authority Tonga, Queen Salote Wharf, Nuku'alofa, Tel: (676) 23168, Website: www.portsauthoritytonga.com

Phase 1 – 3D Images

Exhibit 1: Office Close up View



Exhibit 2: Dry Product Inspection Area

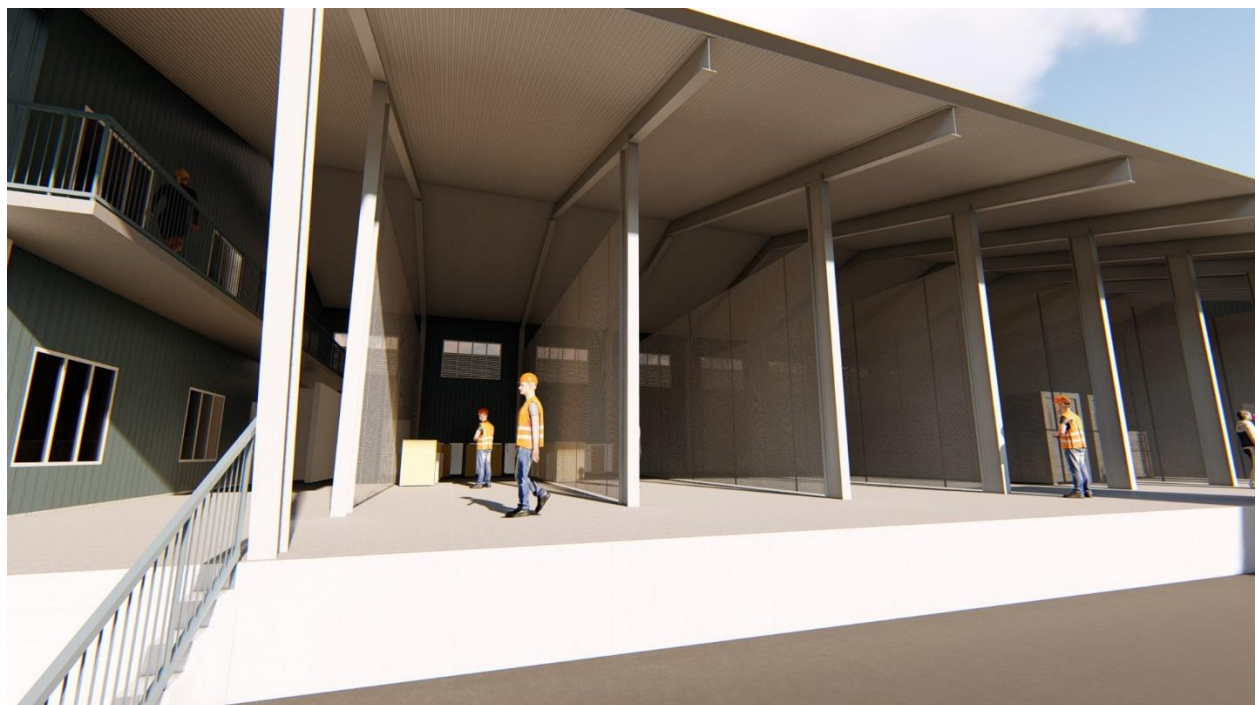


Exhibit 3: Frozen Product Inspection Area



Exhibit 4 – Front View

