

Press Release

For Immediate Release



7th February 2020

FHL Group Net Assets Grow by 3% - 6 months ending 31.12.19

FHL group recorded a steady growth of 3% in its group net assets. Most of the group companies contributed positively with challenges faced in the Lending, Tourism and the Construction sector.

Total operating revenue for the first 6 months of FY20 was reported at \$184.97m compared to \$187.92m for the same period last year.

FHL group recorded net profit before tax of \$21.31m compared to \$25.59m for the same period last year. The shortfall in performance by 16.74% is largely attributed to the performance of Basic Industries Pte Limited (BIL), Merchant Finance Pte Limited (MFL) and Serendib Investment Pte Limited (SIL).

The construction sector remained weak, evident with drop in cement sales and the stalling of large construction projects with ongoing transportation setbacks. There was also a significant reduction in new and second-hand vehicle registration adding pressure on the performance of MFL as motor vehicle financing remains its core business.

Adverse weather condition in the months leading up to and following Cyclone Sarai also affected performance of approximately 4 days of peak business in December largely affecting the tourism and retail sector.

The printing sector being the new addition to the group portfolio continued with its strategic investment in new plant and machinery and expects to deliver positive returns in the next financial year.

The Acting Chairman Mr Yogesh Karan said that integrated economic activities were well-balanced with the diversified Investment portfolios of FHL. The reported results were expected with general slowdown in the global economy. He also mentioned that the board and management will continue to work on strategies to obtain the desired result for the next 6 months and envisaged a better profit.

As at 31st December 2019 Group Assets stands at \$672.47m while the shareholders' funds have reached \$320.04m.



END

Authorized Signatories

Authorized Signatories

For further information, please contact Mr. Sitiveni Koya on 3305017 or email Sitiveni.Koya@fijianholdings.com.fj

**FIJIAN HOLDINGS LIMITED
AND SUBSIDIARY COMPANIES
SPECIAL PURPOSE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019**

FIJIAN HOLDINGS LIMITED AND SUBSIDIARY COMPANIES**STATEMENT BY DIRECTORS**

In the opinion of the directors of Fijian Holdings Limited ("the Company"):

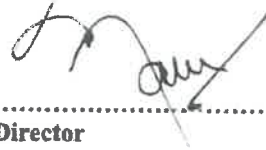
1. The special purpose half year consolidated financial statements and notes set out on pages 3 to 7, are drawn up in accordance with the basis of preparation set out in Note 2 so as to present fairly, in all material respects, the financial position of the Group as at 31 December 2019 and its performance and cash flows for the six month period then ended.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

For and on behalf of the Board of Directors by authority of a resolution of the Directors.

Dated this 6th day of February 2020.



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Director



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Director



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF FIJIAN HOLDINGS LIMITED

We have reviewed the accompanying special purpose consolidated half year financial statements of Fijian Holdings Limited ('the Company') and its subsidiary companies ('the Group') comprising the consolidated statement of assets, liabilities and shareholders' equity as at 31 December 2019 and the related consolidated statement of profit and loss, and consolidated statement of cash flows for the six month period then ended and accompanying notes 1 to 5.

Management and directors of the Company are responsible for the preparation and presentation of these special purpose consolidated half year financial statements in accordance with the basis of preparation as set out in Note 2. Our responsibility is to express a conclusion on these special purpose consolidated half year financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the special purpose consolidated half year financial statements as at and for the six month period ended 31 December 2019 are not prepared in all material aspects, in accordance with the basis of preparation set out in Note 2.

A review of financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying special purpose consolidated half year financial statements are not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2.

Other Matter

Without modifying our opinion, we draw attention to Note 2 to the special purpose consolidated half year financial statements, which describes the basis of accounting. The special purpose consolidated half year financial statements have been prepared for the purpose of complying with the requirements of the South Pacific Stock Exchange Listing Rules 2010 and as a result, may not be suitable for another purpose.

6 February, 2020
Suva, Fiji

KPMG
KPMG
Chartered Accountants

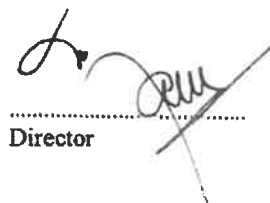
FIJIAN HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

	Current half year F\$000 (Reviewed) 31/12/2019	Increase/ (Decrease) %	Previous corresponding half year F\$000 (Reviewed) 31/12/2018
OPERATING REVENUE			
Sales Revenue	179,475	(1.81%)	182,785
Other Income	5,495		5,140
Total Operating Revenue	184,970	(1.57%)	187,925
Net Profit before Tax – continuing operations	21,311	(16.74%)	25,595
Income Tax Expense	4,123		4,570
Net Profit after Tax – continuing operations	17,188		21,025
Profit from discontinued operations, net of tax	-		-
Net Profit after Tax	17,188		21,025
Non-controlling interests	5,087		4,766
Net Profit after Tax Attributable to Members of the Company	12,101	(25.57%)	16,259
Retained Earnings at Beginning of Period	184,874		164,682
Total available for appropriation	196,975		180,941
Ordinary dividend	3,747		3,717
Retained Earnings at End of Period	193,228	9.03%	177,224
Other Comprehensive Income			
Movement in foreign currency translation and fair value reserve	472		1,156
Total Comprehensive Income	12,573		17,415
Earnings per Share¹			
	Cents		Cents
Basic and diluted earnings per share	4		5
Basic and diluted earnings per share – continuing operations	4		5

¹ See note 6.



 Director



 Director

The notes on pages 6 to 7 are an integral part of these special purpose consolidated half year financial statements.

FIJIAN HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF ASSETS, LIABILITIES AND SHAREHOLDERS' EQUITY
AS AT 31 DECEMBER 2019

	As at 31/12/2019 F\$000 (Reviewed)	As at 30/06/2019 F\$000 (Audited)	As at 31/12/2018 F\$000 (Reviewed)
ASSETS			
Cash and cash equivalents	18,113	20,038	18,594
Debt securities	11,555	10,942	13,434
Inventories	46,860	42,301	38,521
Equity securities	30,325	29,366	27,042
Investment in associates	37,201	30,784	31,695
Loans, advances and receivables	217,734	203,268	179,336
Current tax asset	264	1,109	-
Investment properties	64,661	53,954	47,757
Property, plant & equipment	160,246	159,490	142,690
Intangible assets	60,951	61,450	61,454
ROU asset	13,793	16,925	13,045
Other assets	4,400	4,765	6,770
Deferred tax assets	6,369	6,568	5,749
Total assets	672,472	640,960	586,087
LIABILITIES			
Payables	25,746	27,237	24,114
Contract liabilities	4,032	5,829	3,980
Dividend payable	4,462	4,045	2,594
Employee entitlements	1,463	1,919	1,505
Lease liabilities	14,995	17,866	13,765
Current tax liability	-	-	2,194
Borrowings	286,602	258,940	232,288
Deferred tax liabilities	15,126	15,141	13,104
Total liabilities	352,426	330,977	293,544
Net assets	320,046	309,983	292,543
SHAREHOLDERS' EQUITY			
Share capital	30,465	30,465	30,465
Reserves	39,139	38,667	32,445
Retained earnings	193,233	184,879	177,224
Attributable to members of the holding company	262,837	254,011	240,134
Non-controlling interest	57,209	55,972	52,409
Total shareholders' equity	320,046	309,983	292,543



 Director



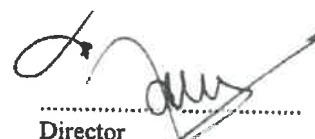
 Director

The notes on pages 6 to 7 are an integral part of these special purpose consolidated half year financial statements.

**FIJIAN HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019**

	Current half year FS000 (Reviewed) 31/12/2019	Previous corresponding half year FS000 (Reviewed) 31/12/2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from trading activities	196,085	196,336
Cash payments	(176,573)	(181,431)
Interest received	568	687
Dividend received	742	2,130
Interest paid	(3,402)	(2,046)
Income tax paid	(2,817)	(2,557)
Net Cash Inflow from Operating Activities	14,603	13,119
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment and investment properties	(17,994)	(7,265)
Acquisition of intangible assets	-	(7)
Proceeds from sale of property, plant and equipment and investment properties	180	266
Acquisition of investments	(6,714)	(4,210)
Net Cash Outflow from Investing Activities	(24,528)	(11,216)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(7,120)	(6,861)
Repayment of secured loan	(13,007)	(5,514)
Proceeds from borrowings	25,400	429
Payment of lease liability	(2,163)	(911)
(Acquisition)/proceed from sale of investment	(1,000)	10,500
Net Cash Inflow/ (Outflow) from Financing Activities	2,110	(2,357)
NET DECREASE IN CASH HELD	(7,815)	(454)
Effect of exchange rate changes on cash	2	1
Cash at beginning of period	(8,908)	815
Cash at end of period	4 (16,721)	362


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Director


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Director

The notes on pages 6 to 7 are an integral part of these special purpose consolidated half year financial statements.

**FIJIAN HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE SPECIAL PURPOSE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019**

1. GENERAL INFORMATION

Fijian Holdings Limited (“the Company”) is incorporated and domiciled in Fiji and its registered office and principal place of business is located at 7th Floor, Ra Marama House, 91 Gordon Street, Suva, Fiji.

The special purpose consolidated half year financial statements as at and for the six months ended 31 December 2019 comprise the Company and its subsidiaries (together referred to as “the Group” and individually as “Group entities”) and the group’s interest in associates.

The principal activity of the Company is investment. The principal activities of the Group are the production and sale of cement, concrete and concrete products, investment and rental of property, fund management, stock broking, asset and loan financing and acceptance of term deposits, provision of sea transportation services and boat charters, cruise ship operations, commercial free to air broadcasting services, selling and servicing of radio, television and communications, retailing and wholesaling of general merchandise, printing and publishing, sale of stationary, and owners and administrators of properties.

The Company is listed on the South Pacific Stock Exchange.

2. BASIS OF PREPARATION

The special purpose consolidated half year financial statements have been prepared in accordance with the recognition, measurement and classification requirements of all applicable International Financial Reporting Standards and the requirements of the South Pacific Stock Exchange Listing Rules 2010. The special purpose consolidated half year financial statements include only the disclosures considered necessary by the directors to meet the needs of the members.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements for the year ended 30 June 2019. The special purpose consolidated half year financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated annual financial statements of the Group for the year ended 30 June 2019.

These special purpose consolidated half year financial statements were approved by the Board of Directors on 6 February 2020.

Use of judgments and estimates

Preparing interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these special purpose financial statements, the significant judgements made by management in applying the Group’s accounting policies and key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 30 June 2019.

**FIJIAN HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
NOTES TO THE SPECIAL PURPOSE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019**

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Group in the special purpose consolidated half year financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 30 June 2019.

4. CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statements, cash and cash equivalents comprise the following:

	Consolidated	
	As at 31/12/2019 F\$000 (Reviewed)	As at 31/12/2018 F\$000 (Reviewed)
Cash and cash equivalents	18,113	18,594
Bank overdraft	(34,834)	(18,232)
	<u>(16,721)</u>	<u>362</u>

5. INVESTMENTS IN ASSOCIATES

The Group has interests in the following associates:

- Marsh Limited
- Golden Manufacturers Limited
- Pernix (Fiji) Limited
- New World Limited
- Ritam Investments Limited

Reconciliation of the carrying value of investments in associates:

	As at 31/12/2019 F\$000 (Reviewed)	As at 30/06/2019 F\$000 (Audited)
Opening balance	30,784	28,955
Additions	6,300	-
Equity accounted earnings of associates (net of tax)	2,794	5,136
Dividends from associates	(2,677)	(3,307)
Closing balance	<u>37,201</u>	<u>30,784</u>

6. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share for 2018 has been adjusted retrospectively due to the number of ordinary shares outstanding increasing as a result of a share split on 27 November 2018.

7. SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the period which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial periods.