

**Pacific Green Industries (Fiji) Limited**  
**Annual Report**  
**For the year ended 31 December 2020**

## **Pacific Green Industries (Fiji) Limited**

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## **Pacific Green Industries (Fiji) Limited**

### **Directors**

Mr Samuel Ram – Chairman  
Mr Ravin Chandra  
Mr Ashnil Prasad  
Mr Abilash Ram  
Mr Dominic Ryan  
Mr Adish Naidu

### **Managing Director**

Mr Ravin Chandra

### **Company Secretary**

Miss Shabnam Prasad

### **Independent Auditors**

PricewaterhouseCoopers  
Chartered Accountants  
Level 8 Civic Tower, 272 Victoria Parade  
Suva, Fiji

### **Bankers**

Australia and New Zealand Banking Group Limited  
Main Street  
Nadi

### **Registered office and principal place of business**

Queens Road  
Malaqereqere  
Sigatoka  
Fiji  
Phone contact: (679) 6500055

## Pacific Green Industries (Fiji) Limited

### NOTICE OF ANNUAL GENERAL MEETING OF PACIFIC GREEN INDUSTRIES (FIJI) LIMITED

Notice is hereby given that the Annual General Meeting of Pacific Green Industries (Fiji) Limited will be held at the Pacific Green Showroom, Queen Road, Malaqereqere, Sigatoka on 25<sup>th</sup> June 2021 at 1:00pm to transact the following business.

Due to the COVID-19 restrictions, attendees may attend in-person or on-line. The following options are available for the shareholders and other stakeholders to participate in the AGM:

1. Attend in Person
2. Attend on-line through Zoom
3. Attend via Proxy

Shareholders who wish to attend the AGM on-line through Zoom, must fill the Pre-Registration Form attached to this notice and email the duly completed form to [pacificgreen@connect.com.fj](mailto:pacificgreen@connect.com.fj) or [pgfiji@connect.com.fj](mailto:pgfiji@connect.com.fj) by Friday 18<sup>th</sup> June 2021.

If you are considering attending the AGM in-person, please note that the Company will require attendees to conform to the prevailing social distancing and social gathering Government regulations (if any) effective during that time in addition to the health initiatives adopted by the Company on site.

Circumstances relating to COVID-19 are changing rapidly and we will update shareholders if any of these changes impact arrangements for the AGM.

#### Agenda

##### Ordinary Business:

##### 1. Consideration of Financial Statements

To receive and consider the Audited Financial Position and Comprehensive Income Statement and the reports of the Directors and Auditors, for the year ended 31 December 2020.

##### 2. Election of Directors

To consider, and if thought fit, pass the following resolutions as ordinary resolutions:

##### (a) *Mr Abilash Ram*

To appoint Mr Abilash Ram director of the company who retires by rotation pursuant to Clause 107 of the Articles of Association of the Company, and being eligible, is re-elected as a director of the Company.

##### (b) *Mr Adish Naidu*

To appoint Mr Adish Naidu director of the company who retires by rotation pursuant to Clause 107 of the Articles of Association of the Company, and being eligible, is re-elected as a director of the Company.

##### 3. Appointment of Auditors

To consider, and if thought fit, pass the following resolution as ordinary resolution:

Pursuant to the Articles of Association of the Company, M/s PricewaterhouseCoopers, Chartered Accountants, be and are hereby appointed as the Auditors of the Company to hold office, from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting of the Company at a remuneration as may be declared by the Board with the mutual consent of the auditors.

##### 4. Confirmation of Dividend

No dividends were recorded or declared during the year ended 31 December 2020.

##### Special Business:

All other business transacted at an AGM is a special business.

Explanatory Notes containing in relation to each of the following resolutions accompanies the Notice of Meeting.

By order of the Board of Directors

  
.....

Shabnam Prasad

Company Secretary

Dated 18th March, 2021

Malaqereqere, Sigatoka, Fiji

**Notes:**

1. A member who is unable to attend the meeting is entitled to appoint a proxy to attend the meeting and vote on his behalf
2. The proxy need not be a member of the company.
3. A proxy form is enclosed with this notice of meeting. To be effective the form must reach the registered office of the company not less than 48 hours before the time for holding the meeting.

**Explanatory Notes**

*This Explanatory Note is intended to provide shareholders with sufficient information to assess the merits of the resolutions contained in the Notice of Annual General Meeting.*

*The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.*

*The following information should be noted in respect of the various matters contained in the Notice of Meeting.*

**Item 1. Consideration of Financial Statements:**

As required by Section 401 of the Companies Act 2015, the Financial Report, the Directors' Report and the Auditors Report of the Company for the recently completed financial year will be laid before the meeting. Shareholders will be provided with a reasonable opportunity to ask questions about or make comments on the management of the Company however, there will be no formal resolution put to the meeting.

Questions that cannot be answered at the AGM needs to be addressed through a market announcement by the company within a reasonable timeframe.

**Item 2. Election of Directors**

The Board proposes that Mr. Abilash Ram and Mr. Adish Naidu be re-appointed as directors of the Company. The Board considers that each nominee possesses attributes necessary for the development of the Company.

*(a) Mr. Abilash Ram*

Mr. Abilash Ram is a representative of Fijian Holdings Ltd. He has been serving on PGI Board since March 2017.

*(b) Mr. Adish Naidu*

Mr. Adish Naidu is an architect by profession. He has been serving on PGI Board since July 2017.

**Item 3. Appointment of Auditors**

The Board proposes to re-appoint the retiring Auditors in accordance with Clause 143 of Article of Association of the Company, to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting at a remuneration as may be mutually agreed between the Board and Auditors. The retiring Auditors M/s PricewaterhouseCoopers, Chartered Accountants, being eligible, offer themselves for appointment.

**Item 4. Confirmation of Dividends**

The Board resolved that no dividends shall be declared or paid by the company for the financial year ended 31 December 2020.

## **Pacific Green Industries (Fiji) Limited**

### **Chairman's Report**

Dear Shareholders,

The year 2020 was, for many companies, one of the most challenging years in a very long time. While most global economies were on the path to moderate growth at the start of the year, it suddenly came to a standstill in March. This was due to the outbreak of COVID-19 in all corners of the world. Many governments reacted with restrictions on economic activities, ranging from disruptions in business processes to complete lockdowns. There has been no precedence in recent history. The magnitude of disruption from the COVID-19 pandemic has significantly impacted organisations of all sizes, across all industries.

There are no guide books to such pandemics; your board and management at Pacific Green had to act quickly to ensure the safety of our people and the survival of the business. We can safely say, we have been successful in achieving both.

#### **Financial**

Financial results of 2020 are significantly better than what our expectations were after the outbreak of COVID-19. In a challenging environment due to the pandemic, Pacific Green achieved \$2,888,684 in sales and also recorded a small profit of \$291,183. Achieving profitability in such circumstances is a significant achievement. As of the end of 31 December 2020, we managed to again maintain healthy cash flows and had no borrowings.

#### **Trading Outlook**

The ongoing impact from COVID-19 is difficult to predict. We anticipate a continued reduction in global trade. We are seeing an increasing number of furniture importers in Fiji over the years. This trend happened in the USA, Australia, New Zealand, and other western countries and as a result, adversely affecting the local industry. We can assume the importers have done their calculation and found it profitable to import rather than manufacture in Fiji (where labour costs are high and skill levels are subpar when compared to other exporting countries). Over the past year, we have observed several western countries learning their lesson and implementing tough tariffs and duties to slow this down. However, in Fiji, we are seeing the complete opposite. This is not good for Fiji. Fiji needs its local manufacturing industry and manufacturing exporters always need an even playing field.

#### **Business Continuity Plan**

Given the uncertainty on COVID -19, we would like to say that the response window for a crisis can be measured in months, while recovery will be measured in years. Keeping the above front and centre, your board and management will continue working towards the progress of PGI and maintaining the health and safety of our people.

We are optimistic of the future, but it is also prudent to prepare ourselves for 2021 being as equally difficult as 2020. While the immediate pandemic crisis appears to be subsiding, there may be strong economic aftereffects as economies around the world try to restart. Whether the bounce back is relatively fast, or if it takes some time, will directly affect the business right from the supply chain through to how our customers spend their money.

As an industry and business that plans for the long term, we value certainty and stability. Making sure our interests are properly aligned with those of our stakeholders is critical. Especially to the long-term sustainability of our operations, given that when we are successful as a company our stakeholders benefit as well. This includes our employees, contractors, suppliers, customers, shareholders, and the government. I am proud of the work your management and board have done. I am even more proud of how they are handling the impact of COVID-19.

In closing, on behalf of the board, we would like to extend our appreciation to our management and staff for their hard work and contribution. To our landowners, the Fijian government, shareholders, and customers thank you for your staunch support through the years.

**Vinakavakalevu**



.....  
**Samuel Ram**  
**Chairman**

## **Pacific Green Industries (Fiji) Limited**

### **Directors' Report**

The directors present their report together with the financial statements of the Company for the year ended 31 December 2020 and the auditors' report thereon.

### **Directors**

The directors in office of the Company at the date of this report are:

Mr Samuel Ram – Chairman  
Mr Ravin Chandra  
Mr Ashnil Prasad  
Mr Abilash Ram  
Mr Dominic Ryan  
Mr Adish Naidu

### **Principal Activity**

The principal activity of the Company during the year was the manufacture and sale of furniture and architectural products made from coconut palmwood.

### **Results**

The net profit after income tax of the Company for the year ended 31 December 2020 was \$291,183. (2019: \$445,753).

### **Dividends**

There were no dividends declared/paid for the year 2020. (2019: Nil)

### **Reserves**

The directors recommend that no amounts be transferred to reserves in respect of the year ended 31 December 2020.

### **Going concern and impact of COVID-19**

The World Health Organization declared a pandemic in relation to the Novel Coronavirus (COVID-19) in 2020, bringing a significant health impact globally. Measures taken to contain the impact of the COVID-19 virus are continuing to have a significant negative economic impact on global markets including Fiji's major trading partners. Many governments reacted with restrictions on economic activities, ranging from disruptions in business processes to complete lockdowns. There has been no precedence in recent history. The magnitude of disruption from the COVID-19 pandemic has significantly impacted organisations of all sizes, across all industries.

The ongoing impact from COVID-19 is difficult to predict. The Company anticipates a continued reduction in trade. The revenue and profits of the Company were impacted from March 2020 onwards. In response to the economic impact of the COVID-19 outbreak, the Company has taken conservative measures to reduce operational costs and preserve its cash position.

Directors and Management believe the Company has reasonably adequate financial resources to be able to manage its business risks within the current uncertain economic outlook due to the COVID-19 outbreak. They have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### **Subsequent events**

No matters or circumstances have arisen since the end of the financial year which would require adjustments to, or disclosure in the financial statements.

## **Pacific Green Industries (Fiji) Limited**

### **Directors' report (continued)**

#### **Director's equity interests**

Mr. Ravin Chandra and the Late Mr. Peter Ryan own 3,046,877 ordinary shares collectively as at 31 December 2020. There are no other director held interests in the Company.

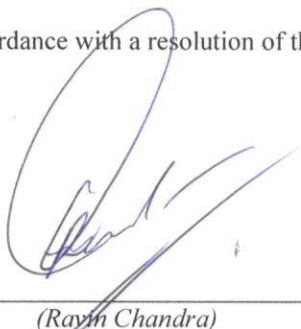
#### **State of affairs**

In the opinion of the directors the accompanying statement of financial position give a true and fair view of the state of affairs of the Company as at 31 December 2020 and the accompanying statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows give a true and fair view of the results, change in equity and cash flows of the Company for the year then ended, and all related party transactions have been recorded and adequately disclosed in the attached financial statements.

Dated 17<sup>th</sup> day of March 2021.

Signed in accordance with a resolution of the directors.

Director

  
(Rayn Chandra)

Director

  
(Samuel Ram)



## **Pacific Green Industries (Fiji) Limited**

### **Directors' Declaration**

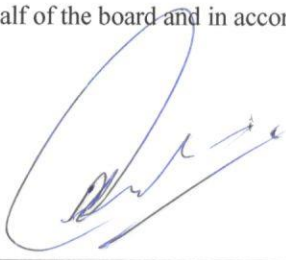
The directors of the Company have made a resolution that declared:

- (a) In the directors' opinion, the attached financial statements for the year ended 31 December 2020:
  - i. give a true and fair view of the financial position of the Company as at 31 December 2020 and of the performance of the Company for the year ended 31 December 2020;
  - ii. have been prepared in accordance with the Companies Act 2015.
- (b) They have received declarations as required by Section 395 of the Companies Act 2015.
- (c) At the date of this declaration, in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated 17th day of March 2021.

For and on behalf of the board and in accordance with a resolution of the directors.

Director

  
(Ravin Chandra)

Director

  
(Samuel Ram)



**AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF PACIFIC GREEN INDUSTRIES (FIJI) LIMITED**

As auditor for Pacific Green Industries (Fiji) Limited for the financial year ended 31 December 2020, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Companies Act 2015 in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Pacific Green Industries (Fiji) Limited during the financial year.

**PricewaterhouseCoopers  
Chartered Accountants**

A handwritten signature in dark ink, appearing to read 'Wiliki Takiveikata'.

**by**

A handwritten signature in dark ink, appearing to read 'Wiliki Takiveikata'.

**Wiliki Takiveikata  
Partner  
17 March 2021**

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*PricewaterhouseCoopers, Level 8 Civic Tower, 272 Victoria Parade, Suva, Fiji.  
GPO Box 200, Suva, Fiji.  
T: (679)3313955 / 3315199, F: (679) 3300947*

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## **Independent Auditor's Report**

To the Shareholders of Pacific Green Industries (Fiji) Limited

### **Report on the audit of the financial statements**

#### *Opinion*

We have audited the accompanying financial statements of Pacific Green Industries (Fiji) Limited (the 'Company'), which comprise the statement of financial position as at 31 December 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We are independent of the Company in accordance with the ethical requirements of the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) that are relevant to our audit of the financial statements in Fiji, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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### *Key audit matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><i>Completeness of Sales Revenue</i></p> <p>Revenue is recognised when the control of the underlying product has been transferred to the customer.</p> <p>The point in time of transfer of control does vary depending on the individual terms of the contract of sale. For local furniture sales, this usually occurs when the product is received by the customer, however, for some international sales, transfer occurs upon loading of the product onto the relevant carrier at the port of departure.</p> <p>There is a risk that revenue may be understated as a result of sales being made to customers but not being recorded in the financial statements. Management comprises of only a small number of personnel and management can potentially override controls in place to achieve this.</p>	<p>We identified completeness of sales revenue as a significant risk, requiring special audit consideration.</p> <p>Our audit procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>• Understanding and considering the appropriateness of the company's revenue recognition and accounting policies for the different types of sales.</li> <li>• Understanding, evaluation and validation of controls over the sales business process.</li> <li>• Substantive test of details over sales transactions including verification of the sales against commercial invoices, verification of evidence of receipt of the products by the customers, settlement of the sales transaction, and for international sales, examination of the related shipping documents to ensure the time of recognition of revenue is appropriate.</li> <li>• Completing cutoff testing to ascertain that revenue had been recorded in the correct period and recorded completely for the sales.</li> <li>• Testing the sequence of the invoices and validating reasons for missing invoice numbers from the sequence for the period 1 January 2020 to 31 December 2020.</li> <li>• A selection of manual journals posted in the sales revenue accounts were tested back to supporting documentation.</li> <li>• The movement in Gross Profit margins between the current year and the prior year was also reviewed and the reasons for the movement verified.</li> <li>• We also considered the adequacy of the company's disclosures in respect of revenue.</li> </ul>



#### *Other information*

Directors and management are responsible for the other information. The other information comprises the information included in the Company's Annual Report for the year ended 31 December 2020 (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### *Responsibilities of Directors and Management for the Financial Statements*

Directors and management are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and with the requirements of the Fiji Companies Act, 2015, and for such internal control as the directors and management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors and management are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors and management either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors and management are responsible for overseeing the Company's financial reporting process.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.



As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors and management.
- Conclude on the appropriateness of the directors and managements use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with directors and management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the directors and management, we determine those matters that were of most significance in the audit of the financial statements for the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



### **Report on Other Legal and Regulatory Requirements**

In our opinion the financial statements have been prepared in accordance with the requirements of the Fiji Companies Act 2015 in all material respects, and;

- a) we have been given all information, explanations and assistance necessary for the conduct of the audit; and
- b) the Company has kept financial records sufficient to enable the financial statements to be prepared and audited.

### **Restriction on Use**

This report is made solely to the Company's shareholders, as a body, in accordance with Section 396(1) of the Fiji Companies Act 2015. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, appearing to read 'PricewaterhouseCoopers'.

**PricewaterhouseCoopers**  
**Chartered Accountants**

A handwritten signature in dark ink, appearing to read 'Wiliki Takiveikata'.

**Wiliki Takiveikata**

**17 March 2021**  
**Suva, Fiji**

**Pacific Green Industries (Fiji) Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 31 December 2020**

	Notes	2020 \$	2019 \$
Revenue		2,888,684	3,883,938
Cost of sales		<u>(1,640,081)</u>	<u>(2,029,525)</u>
<b>Gross profit</b>		1,248,603	1,854,413
Distribution expenses		(50,945)	(88,600)
Administrative and other operating expenses		<u>(934,554)</u>	<u>(1,269,053)</u>
<b>Profit before income tax</b>	5	263,104	496,760
Income tax benefit/(expense)	7(a)	<u>28,079</u>	<u>(51,007)</u>
<b>Net profit after income tax</b>		291,183	445,753
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<u>291,183</u>	<u>445,753</u>
Basic and diluted earnings per share	14	0.04	0.06

The above statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 19 to 32.



**Pacific Green Industries (Fiji) Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2020**

	Share capital	Accumulated losses	Total
	\$	\$	\$
<b>2019</b>			
Balance at 1 January 2019	8,123,444	(3,729,982)	4,393,462
<i>Comprehensive income</i>			
Profit for the year	-	445,753	445,753
Other comprehensive income	-	-	-
<b>Total comprehensive income</b>	-	445,753	445,753
<i>Transactions with owners</i>			
Dividends declared/paid (Nil per share)	-	-	-
Balance at 31 December 2019	8,123,444	(3,284,229)	4,839,215
<b>2020</b>			
Balance at 1 January 2020	8,123,444	(3,284,229)	4,839,215
<i>Comprehensive income</i>			
Profit for the year	-	291,183	291,183
Other comprehensive income	-	-	-
<b>Total comprehensive income</b>	-	291,183	291,183
<i>Transactions with owners</i>			
Dividends declared/paid (Nil per share)	-	-	-
Balance at 31 December 2020	8,123,444	(2,993,046)	5,130,398

The above statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 19 to 32.

**Pacific Green Industries (Fiji) Limited**  
**Statement of Financial Position**  
**As at 31 December 2020**

	Notes	2020 \$	2019 \$
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	2,785,608	2,933,375
Right-of-use asset	16	1,049,970	1,060,734
Biological asset - Eco Park Project	9	94,503	94,503
<b>Total non-current assets</b>		<u>3,930,081</u>	<u>4,088,612</u>
<b>Current assets</b>			
Cash and cash equivalents	10	1,114,054	345,511
Trade and other receivables	11	43,811	85,724
Inventories	12	1,402,925	1,590,029
Prepayments and other deposits		70,184	165,023
Current income tax		40,803	28,095
<b>Total current assets</b>		<u>2,671,777</u>	<u>2,214,382</u>
<b>Total assets</b>		<u>6,601,858</u>	<u>6,302,994</u>
<b>Equity</b>			
Share capital	13	8,123,444	8,123,444
Accumulated losses		(2,993,046)	(3,284,229)
<b>Total equity</b>		<u>5,130,398</u>	<u>4,839,215</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liability	16	100,896	116,564
Deferred tax liability	7(b)	24,336	56,175
<b>Total non-current liabilities</b>		<u>125,232</u>	<u>172,739</u>
<b>Current liabilities</b>			
Trade and other payables	15	940,686	908,726
Lease liability	16	405,542	382,314
<b>Total current liabilities</b>		<u>1,346,228</u>	<u>1,291,040</u>
<b>Total liabilities</b>		<u>1,471,460</u>	<u>1,463,780</u>
<b>Total equity and liabilities</b>		<u>6,601,858</u>	<u>6,302,994</u>

Signed in accordance with a resolution of the directors this 17th day of March 2021.

Director .....  
 (Ravin Chandra)

Director .....  
 (Samuel Ram)

The above statement of financial position is to be read in conjunction with the notes to financial statements set out on pages 19 to 32.

**Pacific Green Industries (Fiji) Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2020**

	Notes	2020 \$	2019 \$
<b>Operating activities</b>			
Cash receipts in the course of operations		2,930,596	3,856,046
Cash payments in the course of operations		(2,141,130)	(3,367,118)
Interest paid on lease liability		-	(10,412)
Income tax paid		(16,467)	(103,801)
		<u>772,999</u>	<u>374,715</u>
Insurance proceeds		-	77,400
<b>Cash flows from operating activities</b>		<u>772,999</u>	<u>452,115</u>
<b>Investing activities</b>			
Purchases of property, plant and equipment	8	(4,456)	(513,074)
Proceeds from sale of property, plant and equipment		-	3,700
<b>Cash flows used in investing activities</b>		<u>(4,456)</u>	<u>(509,374)</u>
<b>Financing activities</b>			
Principal elements of lease payments	16	-	(327,651)
<b>Cash flows used in financing activities</b>		<u>-</u>	<u>(327,651)</u>
Net (decrease) /increase in cash held		768,543	(384,910)
Cash and cash equivalents at 1 January		<u>345,511</u>	<u>730,421</u>
<b>Cash and cash equivalents at 31 December</b>	10	<u>1,114,054</u>	<u>345,511</u>

The above statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 19 to 32.

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**1. Reporting entity**

Pacific Green Industries (Fiji) Limited (the “Company”) is a public limited Company incorporated and domiciled in the Republic of Fiji. The address of the Company’s registered office and principal place of business is Queens Road, Malaqereqere, Sigatoka, Republic of Fiji. The Company is primarily involved in the manufacture and sale of furniture and architectural products made from coconut palmwood.

**Stock exchange listing**

The Company is listed on the South Pacific Stock Exchange since 5 June 2001.

**2. Basis of preparation**

**(a) Statement of accounting**

The financial statements of the Company have been drawn up in accordance with the provisions of the Companies Act 2015 and International Financial Reporting Standards (IFRSs) and IFRIC interpretations as issued by the International Accounting Standards Board. The financial statements have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets.

The financial statements were approved by the Board of Directors on 17th March 2021.

**New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2020 and not early adopted**

There are no new standards, amendments or interpretations that have been released and not yet adopted that are expected to have a significant financial impact on the Company in future periods.

**b) Going concern and impact of COVID-19**

The World Health Organization declared a pandemic in relation to the Novel Coronavirus (COVID-19) in 2020, bringing a significant health impact globally. Measures taken to contain the impact of the COVID-19 virus are continuing to have a significant negative economic impact on global markets including Fiji’s major trading partners. Many governments reacted with restrictions on economic activities, ranging from disruptions in business processes to complete lockdowns. There has been no precedence in recent history. The magnitude of disruption from the COVID-19 pandemic has significantly impacted organisations of all sizes, across all industries.

The ongoing impact from COVID-19 is difficult to predict. The Company anticipates a continued reduction in trade. The revenue and profits of the Company were impacted from March 2020 onwards. In response to the economic impact of the COVID-19 outbreak, the Company has taken conservative measures to reduce operational costs and preserve its cash position.

Directors and Management believe the Company has reasonably adequate financial resources to be able to manage its business risks within the current uncertain economic outlook due to the COVID-19 outbreak. They have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**(c) Foreign currency translation**

**(i) Functional and presentation currency**

The financial statements are presented in Fiji Dollars, which is the Company’s functional currency.

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

**2. Basis of preparation (continued)**

**(ii) Transactions and balances**

Foreign currency transactions are translated to Fiji dollars at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at reporting date are translated at the rates of exchange ruling on that date. Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account in the statement of profit or loss and other comprehensive income.

**(d) Use of estimates and judgements**

The preparation of financial statements in conformity with IFRS requires management to make judgements, 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.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 3(b) – Property plant & equipment
- Note 3(f) – Impairment
- Note 16 Leases

**3. Significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

**(b) Property, Plant and Equipment**

**Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the costs of materials, direct labour and an appropriate proportion of overheads, any other costs directly attributable to bringing the assets to a working condition for their intended use and capitalised borrowing costs.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised net within other income/other expenses in the statement of profit or loss and other comprehensive income.

**Subsequent costs**

The cost of replacing an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced item is derecognised. The costs of the day-to-day servicing of the property, plant and equipment are recognised in the statement of profit or loss and other comprehensive income as incurred.

**Depreciation**

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each item of property, plant and equipment. The straight-line method of depreciation is used and depreciation rates have been applied as follows:

Buildings	1.25%
Motor vehicles	20%
Office furniture and equipment	10%
Plant and equipment	5%

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

**3. Significant accounting policies – (continued)**

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

**(c) Leases**

The company's accounting policy on leases is described in note 16.

**(d) Biological assets**

The Company has engaged in an Eco park project which consists of planting exotic, high-end hardwoods (sandalwood, teak and mahogany). In measuring fair value of the plants, management estimates and judgements are required for the determination of fair value.

At this stage the fair value of these plants cannot be reliably measured as very little biological transformation has taken place since initial cost incurrence and the impact of the biological transformation on price is not expected to be material, and its cost is approximated to be its fair value.

**(e) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred and bringing them to their existing condition and location. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

**(f) Impairment**

**(i) Financial assets**

**Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through profit or loss or through OCI), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial statements and the contractual terms of the cash flows.

The Company's financial assets measured at amortised cost consist of cash and cash equivalents and receivables.

**Recognition and measurement**

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from them have expired or where they have been transferred and the Company has also transferred substantially all risks and rewards of ownership.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by any impairment losses. Interest income, gains/(losses) arising from de recognition, foreign exchange gains/(losses) and impairment losses are recognised in profit or loss.

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

**3. Significant accounting policies – (continued)**

**Impairment of financial assets**

The Company assesses on a forward-looking basis the expected credit loss associated with its financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the financial asset. Refer to Note 4 for the details of the approach.

**(ii) Non-financial assets**

The carrying amounts of the Company's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater value of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

**(g) Employee benefits**

Contributions paid to the Fiji National Provident Fund on behalf of employees to secure retirement benefits are included in the statement of profit or loss and other comprehensive income. Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the relative service is provided.

**(h) Trade and other payables**

Trade and other payables are not interest-bearing and are stated at cost. A liability is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, liabilities are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

**(i) Revenue**

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good to a customer. Revenue is presented net of returns, allowances and trade discounts.

Revenue type	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of furniture	The Company manufactures and sells a range of furniture products made from coconut palmwood locally and overseas. Customers are required to pay a deposit before the production of furniture commences. The price of furniture is dependent on the type of furniture being purchased and discounts may be given at the discretion of management. Revenue is recognized when the control of the goods has transferred, being when they are delivered to the customer, and there are no unfilled obligations that could affect the customers' acceptance of the goods. For overseas sales, obligations are met and control is transferred as per specific contractual arrangements, which usually have transfer happening at bill of lading date. Payment is due immediately, when the customer takes delivery of the furniture.

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

**3. Significant accounting policies – (continued)**

**(j) Income tax**

Income tax expense comprises current and deferred income tax. Current income tax and deferred income tax is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred income tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets.

A deferred income tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(k) Earnings per share**

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to members of the Company by the weighted average number of shares of the Company.

Diluted earnings per share is the same as basic earnings per share for the Company as there are no ordinary shares that are considered to be dilutive.

**4. Financial risk management**

The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

**(a) Foreign currency risk management**

The Company is mainly exposed to foreign exchange risk arising from various currency exposures with respect to purchase of inventory, primarily with respect to the AUD and USD. Foreign exchange risk may arise from future commercial transactions and liabilities. Management has set up bank accounts in USD, AUD and FJD to reduce any negative impact.

**(b) Credit risk management**

Credit risk refers to the risk that a customer or counter party will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing with credit worthy customers as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counter parties are continuously monitored. Credit exposure is controlled by customer credit limits that are reviewed and approved by the management on a regular basis

Customers that fail to meet the Company's benchmark credit worthiness may transact with the Company only on a prepayment basis. In any case, the Company predominantly requires that a deposit be paid before commencing production and that the balance is settled before the product is dispatched. The Company does not require collateral in respect of trade and other receivables.

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:



**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

**b) Credit risk management – (continued)**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	1,112,994	344,451
Trade and other receivables	43,811	85,724
	<u>1,156,805</u>	<u>430,175</u>

***Expected credit loss assessment***

The Company applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade and other receivables. Trade and other receivables comprise of trade receivable from a related party (Post and Rail Pty Limited), staff loans and other security deposits. Historically sales are settled on delivery.

The impairment allowance for trade and other receivables was assessed with reference to the past default history, and current financial standing of the respective counterparties. Based on the assessment performed, management deemed that the impairment loss was immaterial.

While cash and cash equivalents and other receivables are also subject to the impairment requirements of IFRS 9, the impairment loss is deemed immaterial.

**(c) Liquidity risk management**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate banking facilities and collecting advance deposits from clients and continuously monitoring forecast and actual cash flows. At 31 December 2020 and 31 December 2019 the Company's non-derivative financial liabilities comprised of trade and other payables and income tax payables. The contractual maturity dates for all their liabilities is less than 12 months from the respective reporting dates, at the values as stated in the statement of financial position, or any other interest-bearing debt.

**(d) Interest rate risk management**

The Company can be exposed to interest rate risk if its overdraft facility is on variable interest rates. As at 31 December 2020 there was no bank overdraft.

**(e) Capital risk management**

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns to its shareholders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares or sell assets to reduce debt

<b>2020</b>	<b>2019</b>
<b>\$</b>	<b>\$</b>

**5. Profit before income tax**

Included in profit before tax are the following items of revenue and expenses:

Fire loss	-	187,432
Insurance proceeds for fire loss	-	(73,317)
Net loss	-	114,115
Audit fees	18,500	20,500
Bank charges	6,570	11,459
Depreciation- property, plant and equipment	152,223	128,906
Right of use asset	10,764	9,325
Interest expense- lease liability	7,560	10,412

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>6. Personnel expenses</b>		
Wages and salaries included in cost of sales	447,914	653,907
Other wages and salaries	307,095	378,032
Executive directors' remuneration	215,000	228,000
	<u>970,009</u>	<u>1,259,939</u>
 FNU levy	 9,700	 12,759
FNPF	41,999	92,333
Net amount included in the profit or loss	<u>1,021,708</u>	<u>1,365,031</u>

**7. (a) Income tax**

**Income tax expense recognised in the statement of profit or loss and other comprehensive income**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Current income tax	3,760	49,177
Deferred income tax	(31,839)	1,830
Income tax expense	<u>(28,079)</u>	<u>51,007</u>
 <b>Reconciliation of income tax expense</b>		
Operating profit before tax	<u>263,104</u>	<u>496,760</u>
 Income tax expense @ 10%	 26,310	 49,676
Tax effects		
- Expenses not deductible for tax purposes	1,040	4,180
- Export incentive	(814)	(3,682)
- Prior year adjustments	(54,615)	833
Income tax expense	<u>(28,079)</u>	<u>51,007</u>

**(b) Deferred income tax liability**

The deferred income tax liability reflects the net effect of the following temporary difference at the income tax rate of 10%:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Property, plant & equipment	51,844	56,175
Leases	(27,508)	-
	<u>24,336</u>	<u>56,175</u>

Movement in temporary differences during the year comprise of the following:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Balance at 1 January	56,175	54,345
Charged to profit or loss	(31,839)	1,830
Balance at 31 December	<u>24,336</u>	<u>56,175</u>

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

**8. Property, plant and equipment**

	<b>Premises</b>	<b>Plant and equipment</b>	<b>Motor vehicles</b>	<b>Office furniture and equipment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Cost</b>					
Balance at 1 January 2019	2,736,343	858,504	208,933	46,376	3,850,156
Additions	44,164	261,723	198,920	8,267	513,074
Disposals	(32,815)	(161,486)	(32,826)	-	(227,127)
Transfer to right of use asset	(321,027)	-	-	-	(321,027)
Balance at 31 December 2019	<u>2,426,665</u>	<u>958,741</u>	<u>375,027</u>	<u>54,643</u>	<u>3,815,076</u>
Balance at 1 January 2020	2,426,665	958,741	375,027	54,643	3,815,076
Additions	-	3,117	-	1,339	4,456
Disposals	-	-	-	-	-
Balance at 31 December 2020	<u>2,426,665</u>	<u>961,858</u>	<u>375,027</u>	<u>55,982</u>	<u>3,819,532</u>
<b>Accumulated depreciation</b>					
Balance at 1 January 2019	442,863	397,607	88,825	28,900	958,195
Depreciation for the year	30,195	43,487	47,387	7,838	128,906
Disposals	(6,991)	(92,250)	(28,660)	-	(127,905)
Transfer to right of use asset	(77,495)	-	-	-	(77,495)
Balance at 31 December 2019	<u>388,572</u>	<u>348,844</u>	<u>107,548</u>	<u>36,737</u>	<u>881,701</u>
Balance at 1 January 2020	388,572	348,844	107,548	36,737	881,701
Depreciation for the year	30,333	46,521	66,821	8,548	152,223
Disposals	-	-	-	-	-
Balance at 31 December 2020	<u>418,905</u>	<u>395,365</u>	<u>174,369</u>	<u>45,285</u>	<u>1,033,924</u>
<b>Carrying amounts</b>					
At 1 January 2019	<u>2,293,480</u>	<u>460,897</u>	<u>120,108</u>	<u>17,476</u>	<u>2,891,961</u>
At 31 December 2019	<u>2,038,093</u>	<u>609,897</u>	<u>267,479</u>	<u>17,906</u>	<u>2,933,375</u>
At 31 December 2020	<u>2,007,760</u>	<u>566,493</u>	<u>200,658</u>	<u>10,697</u>	<u>2,785,608</u>

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>9. Biological asset</b>		
Eco Park project	<u>94,503</u>	<u>94,503</u>

The ecological park was opened in January 2012 in conjunction with the new factory opening. The Eco Park is a key element in the rebuilding of the Sigatoka factory. The Park is about promoting sustainability in action as it allows visitors to learn about the ‘tree of life’.

The Eco Park project consists of planting exotic, high-end hardwoods (sandalwood, teak and mahogany). At this stage the fair value of these plants cannot be reliably measured as very little biological transformation has taken place since initial cost incurrence and the impact of the biological transformation on price is not expected to be material. Therefore, its cost approximates its fair value. The major cost incurred in relation to the Eco Park project was the buying and planting the seedlings, fencing, landscaping, machinery and tools used and labour cost.

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>10. Cash and cash equivalents</b>		
Cash at bank	1,112,994	344,451
Cash on hand	<u>1,060</u>	<u>1,060</u>
Cash and cash equivalents in the statement of cash flows	<u>1,114,054</u>	<u>345,511</u>

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>11. Trade and other receivables</b>		
<b>Current</b>		
Trade receivables	41,849	84,258
Amounts owed by Golden Palmwood International Limited (GPIL)	-	-
Amount owed by employees	<u>1,962</u>	<u>1,466</u>
	<u>43,811</u>	<u>85,724</u>

The amount owing by Golden Palmwood International Limited (GPIL), a foreign private company, from the sale of the company’s subsidiary Dongguan Golden Palmwood Furniture Pty Limited (DGPL) was fully settled last year.

Under the sale agreement in 2013, any trademarks, licences, patents, and methods used and owned by the Company and licensed to DGPL for use by DGPL shall not be deemed to be transferred or assigned to GPIL. Under a separate agreement, the Company has licensed GPIL to use trademarks owned by the Company free of charge up to 29 June 2018. From 30 June 2018, GPIL will be required to pay a royalty of 2.75% of the wholesale selling price of the relevant goods and services sold by GPIL. Due to the COVID-19 worldwide pandemic situation this will be finalised in the 2021 financial year.

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>12. Inventories</b>		
Raw materials	1,022,418	1,158,056
Work in progress	73,532	153,784
Finished goods	191,242	278,189
Goods in Transit	<u>115,733</u>	<u>-</u>
	<u>1,402,925</u>	<u>1,590,029</u>

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>13. Share capital</b>		
<i>Issued share capital</i>		
7,619,234 fully paid ordinary shares	8,123,444	8,123,444
	<u>8,123,444</u>	<u>8,123,444</u>

**14. Earnings per share**

*Basic earnings per share*

The calculation of basic earnings per share is as follows:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Net profit after tax attributable to shareholders	<u>291,183</u>	<u>445,753</u>
Weighted average number of shares for the year ended 31 December	<u>7,619,234</u>	<u>7,619,234</u>
<b>Basic earnings per share</b>	<u>0.04</u>	<u>0.06</u>

*Diluted earnings per share*

Diluted earnings per share at 31 December 2020 is the same as basic earnings per share.

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>15. Trade and other payables</b>		
Trade creditors, deposits and accruals	907,458	877,491
VAT payable	33,228	18,847
Amounts payable to Dongguan Golden Palmwood Furniture Pty Limited (DGPL)	-	12,388
	<u>940,686</u>	<u>908,726</u>

The amount owing to DGPL (previously a subsidiary) relates to purchases of finished goods, net of salaries, consultancy fees, exhibition expenses and travelling expenses which were recharged by the Company to DGPL. The balance had no fixed term of repayment.

**16. Leases**

**i) Amounts recognised in the statement of financial position**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Right of use asset</b>		
Balance at 1 January 2020	1,060,734	418,910
Additions	-	824,535
Depreciation charge for the year	(10,764)	(9,325)
Derecognition of old unexpired lease	-	(173,386)
Balance as at 31 December 2020	<u>1,049,970</u>	<u>1,060,734</u>

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2019**

**16) i) Amounts recognised in the statement of financial position- (continued)**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Lease liabilities</b>		
Lease liabilities included in the statement of financial position at 31 December	<u>506,438</u>	<u>498,878</u>
Current	405,542	382,314
Non-current	<u>100,896</u>	<u>116,564</u>
	<u><u>506,438</u></u>	<u><u>498,878</u></u>

Lease liabilities have been determined using incremental borrowing rates of 7.2%.

Additions to the right of use assets during the 2020 financial year amounted to Nil. (2019-\$824,535).

**ii) Amounts recognised in the statement of profit or loss**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Depreciation charge on right of use assets	10,764	9,325
Interest expense on lease liabilities (included in finance cost)	7,560	10,412

**iii) Amounts recognised in cash flow**

Total cash outflow for leases	-	338,063
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The lease of the property has a term of 99 years. The right of use asset is to be depreciated over the remaining period of the lease.

There was no lease payments made in the current year. Lease payments till 2024 has been paid in advance.

**iv) The Company's leasing activities and how these are accounted for**

The Company leases land from iTaukei Land Trust Board for its building and operational space/activities. Rental contract is for a fixed period of 99 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

**16. Leases – (continued)**

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset, or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

**v) Variable lease payments**

Estimation uncertainty arising from variable lease payments.

The Company does not have any property leases that contain variable payment terms that are linked to turnover.

**vi) Extension and termination options**

Extension and termination options are included in a number of property leases across the Company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

**Critical judgements in determining the lease term**

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee. During the current financial year, there were no lease agreements with stipulated extension option.

**vii) Residual value guarantees**

The Company does not provide residual value guarantees in relation to its leases.

**17. Commitments and contingencies**

**(a) Capital commitments**

Capital commitments for the Company not otherwise provided for in the financial statements amounted to \$Nil (2019: \$Nil).

**(b) Contingent liabilities**

The Company has no contingent liabilities as at 31 December 2020. (2019: \$Nil).

**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

**18. Related parties**

**(a) Directors**

The following were directors of the Company during the year:

Mr Samuel Ram – Chairman  
 Mr Ravin Chandra  
 Mr Ashnil Prasad  
 Mr Abilash Ram  
 Mr Dominic Ryan  
 Mr Adish Naidu

**(b) Transactions with Key Management Personnel**

The aggregate value of transactions and outstanding balances relating to management personnel were as follows:

Personnel Position	Transaction	Net transaction value		Balance Outstanding	
		Year ended 31		As at 31 December	
		December		Receivable	
		2020	2019	2020	2019
		\$	\$	\$	\$
Employees	Advances	496	(953)	1,962	1,466

The aggregate remuneration to key management personnel, with greatest authority and responsibility for the planning, directing and controlling of the activities of the Company is disclosed in Note 6.

**(c) Equity Interest of Related Parties**

The interests of directors and employees during the year in the ordinary shares of the Company are as follows:

	Additions	Holding
	\$	\$
Employees	-	3,500
Mr. Ravin Chandra	-	1,523,438

**(d) Transactions with Related Parties**

***Transaction with Shareholders and Directors***

Mr. Dominic Ryan (Director) has an interest in a Company (Post and Rail Pty Limited) that sells Company products in Australia. Post and Rail Pty Limited purchased \$111,239 (2019: \$159,327) worth of finished goods from the Company during the year. The total amount outstanding at year end is \$4,350 (2019: \$66,438).

Mr. Adish Naidu has an outstanding balance of \$17,820 to the company at year end. This relates to the sale of furniture.

Mr. Samuel Ram's (Director) law firm provided legal services to the Company during the year and total fees paid by the Company amounted to \$6,611. (2019: \$6,031)

**19. Segment Reporting**

**(a) Industry Segment**

The Company manufactures and sell furniture and architectural products made from coconut palmwood.

**(b) Geographical Segment**

The Company operates predominantly in the geographical segment of Fiji. In 2020, 85% of the sales were in Fiji (2019: 86%). All assets of the business are located in Fiji.



**Pacific Green Industries (Fiji) Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2020**

**19. Segment Reporting – (continued)**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Local sales	2,467,404	3,334,221
Overseas sales	421,280	549,717
	<u>2,888,684</u>	<u>3,883,938</u>

**20. Subsequent events**

No matters or circumstances have arisen since the end of the financial year which would require adjustments to, or disclosure in the financial statements.

**Pacific Green Industries (Fiji) Limited**

**Listing requirements of the South Pacific Stock Exchange (unaudited and not included elsewhere in the Annual Report)  
For the year ended 31 December 2020**

**(1) Schedule of each class of equity security, in compliance with listing requirements under section 51.2 (v):**

(a) Shareholdings of those persons holding twenty (20) largest blocks of shares as of 31 December 2020:

	<b>Name</b>	<b>Shares</b>	<b>Total % Holding</b>
1	Ravin Chandra / Peter Ryan	3,046,877	39.99%
2	Fiji National Provident Fund	1,244,275	16.33%
3	FHL Media Limited	1,039,774	13.65%
4	iTaukei Trust Fund	1,000,000	13.12%
5	Munswamy Reddy	803,830	10.55%
6	FHL Trustees Limited- ATF Fijian Holdings Unit Trust	256,527	3.37%
7	Unit Trust Of Fiji (Trustee Co) Ltd	80,000	1.05%
8	Colonial Fiji Life Limited	35,682	0.47%
9	Radike & Eta Qereqeretabua	25,000	0.33%
10	Ken Kung	20,000	0.26%
11	Jimaima T Schultz	13,500	0.18%
12	Vishnu Deo	5,000	0.07%
13	Taniela Vafoou Fatiaki	5,000	0.07%
14	Rajesh Sharma	3,500	0.05%
15	Kamlesh Kumar	3,000	0.04%
16	Bipin Chandra	3,000	0.04%
17	Christopher Dard Keung Yee	3,000	0.04%
18	Atunaisa Kaitabu & Fulori Sarai	2,645	0.03%
19	Dhirendra Pratap	2,500	0.03%
20	Shabnam Prasad	2,500	0.03%

(b) Details of Shareholdings of Directors and Senior Management as of 31 December 2020:

1	Ravin Chandra	1,523,438
2	Late Peter Ryan	1,523,439
3	Shabnam Prasad	2,500
4	Praveen Padyachi	1,000

**(2) Schedule of each class of equity security, in compliance with listing requirements under section 51.2 (vi):**

Distribution of ordinary shareholders as of 31 December 2020;

<b>No. of Shareholders</b>	<b>Shareholdings</b>	<b>Total Percentage Holding</b>
16	Less than 500 shares	0.04%
29	501 to 5,000 shares	0.68%
0	5,001 to 10,000 shares	-
2	10,001 to 20,000 shares	0.44%
1	20,001 to 30,000 shares	0.33%
1	30,001 to 40,000 shares	0.47%
0	40,001 to 50,000 shares	-
1	50,001 to 100,000 shares	1.05%
3	100,001 to 1,000,000 shares	27.04%
3	Over 1,000,000 shares	69.95%

**Pacific Green Industries (Fiji) Limited**

**Listing requirements of the South Pacific Stock Exchange (unaudited and not included elsewhere in the Annual Report)**  
**– Cont.**

**(3) Disclosure under Section 51.2 (xi):**

There were no contracts existing during or at the end of the financial year in which a director of the Company was materially interested, directly or indirectly apart from those disclosed in the financial statements.

**(4) Disclosure under Section 51.2 (xiv):****Summary of key financial results for the previous five years for the Company:**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Net profit/(loss) after tax</b>	<b>291,183</b>	<b>445,753</b>	<b>686,520</b>	<b>387,928</b>	<b>321,766</b>	<b>148,630</b>
Current assets	2,671,777	2,214,382	2,847,762	2,477,326	2,631,021	2,261,848
Non-current assets	3,930,081	4,088,612	2,986,464	3,161,227	3,294,825	3,970,232
<b>Total assets</b>	<b>6,601,858</b>	<b>6,302,994</b>	<b>5,834,226</b>	<b>5,638,553</b>	<b>5,925,846</b>	<b>6,232,080</b>
Current liabilities	1,346,228	1,291,040	1,386,419	1,579,558	2,119,114	2,218,055
Non-current liabilities	125,232	172,739	54,345	47,284	30,564	26,277
<b>Total liabilities</b>	<b>1,471,460</b>	<b>1,463,780</b>	<b>1,440,764</b>	<b>1,626,842</b>	<b>2,149,678</b>	<b>2,244,332</b>
<b>Shareholder's equity</b>	<b>5,130,398</b>	<b>4,839,215</b>	<b>4,393,462</b>	<b>4,011,711</b>	<b>3,776,168</b>	<b>3,987,748</b>

**(5) Disclosure under Section 51.2 (xv):****(a) Dividends per share:**

There were no dividends declared/paid for the year 2020. (2019: Nil)

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>(b) Earnings per share:</b>	0.04	0.06
<b>(c) Net tangible assets per share:</b>	0.67	0.64

**(d) Share price during the year:**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Highest	1.08	1.08
Lowest	1.08	1.08
On 31st December	1.08	1.08

**Pacific Green Industries (Fiji) Limited**

**Listing requirements of the South Pacific Stock Exchange (unaudited and not included elsewhere in the Annual Report)**  
– Cont.

**(6) Annexure P: Annual Compliance Report on Corporate Governance - Disclosure under Section 51.2 (xix):**

Principle	Requirement	Compliance Status
<b>(1) Establish clear Responsibilities for board oversight</b>	Separation of duties: Clear separation of duties between Board and Senior Management.	The Company Policy sets out the powers and duties of directors and senior managers outlining separation of duties in terms of managing the Company effectively and efficiently. There is a Board Charter in place.
	Board Charter: Adopt a Board charter detailing functions and responsibilities of the Board.	
<b>(2) Constitute an Effective Board</b>	Board Composition: Balanced Board Composition with Executive and Non-Executive directors of which 1/3rd of total number of directors to be independent directors	Directors are nominated by Shareholders at the Annual General Meeting and elected upon approval from major shareholders. One third of the total strength of the Board retires by rotation each year and is eligible for re-election.
	Gender Diversity: Do you have a policy for promoting gender diversity at Board level and have you achieved your policy goals?	The board has a gender diversity policy in place for the company at management level whilst at board level it has not yet achieved this goal however it does not have gender discrimination and all the directors are nominated and elected at the AGM by the shareholders.
	Nomination Committee: Selection, approval, renewal and succession of Directors to be conducted by Nomination Committee in accordance with Articles of Association of the Company and Fit and Proper Policy of Reserve Bank.	The Company does not have a Nomination Committee. The selection, approval, renewal and succession of Directors are discussed by the Board and approved by the shareholders at the Annual General Meeting. All board member participation and performance are discussed in board meetings.
	Board Evaluation: Process of evaluation of performance of the Board, its Committees and individual directors. Evaluation to be linked to key performance indicators of the listed entity.	The Company's/Boards major expectation of directors contribution is in term of maximising Sales which in turn will maximise profit. All board member participation and performance are discussed in board meetings.
	Directors Training: Directors' training and induction procedure to be in place to allow new directors to participate fully and effectively.	All board members have wide range of experience and knowledge in the commercial sector as such they do not require much training. All new directors on board are properly briefed by the Chairman on the company's product/business. All board member participation and performance are discussed in board meetings.
	Board Sub-committees: Board must have sub-committees which must at a minimum include -  · Audit Committee;  · Risk Management Committee; and  · Nomination Committee/Recruitment Committee.	The Company has an Audit and Finance Committee inclusive of Risk and Compliance. They are selected by the Board and are responsible for the external audit of the Company's affairs, reviewing half year and annual financial statements. They assist the Board in fulfilling its responsibilities by coming up with recommendations, advice and information with concerning accounting and reporting responsibilities and evaluating risk management practices. The Company at the moment does not have a Nomination Committee/Recruitment Committee as such all directors appointments are approved by the shareholders at the Annual General Meeting.
<b>(3) Appointment of the Chief Executive Officer (CEO) / Managing Director</b>	CEO: To appoint a suitably qualified and competent Chief Executive Officer/ Managing Director	The Board appoints the Company Managing Director. The board has exercised due diligence in making this appointment. The company's Managing director has been with the company for around 25 years as such having enormous experience and knowledge of the company's product/ business. The Company Managing Director is in constant contact with the other board of directors for any issues arising within the Company

**Pacific Green Industries (Fiji) Limited**

**Listing requirements of the South Pacific Stock Exchange (unaudited and not included elsewhere in the Annual Report)**  
**– Cont.**

**(6) Annexure P: Annual Compliance Report on Corporate Governance - Disclosure under Section 51.2 (xix):**  
**- Cont.**

Principle	Requirement	Compliance Status
(4) Appointment of a Board and Company Secretary	Company Secretary: Board to appoint a suitably qualified and competent Company Secretary, who is accountable to the Board, through Chair, for all compliance and governance issues.	The Board appoints the Board/Company Secretary. The Board/Company Secretary is the administrative link between the Board and the Management and is responsible for ensuring adherence to compliance and governance issues of the Company activities. The Board/Company Secretary coordinates effective and timely distribution of the Board meeting agenda and papers and ensures proper minutes are recorded. All directors have access to the Company Secretary.
(5) Timely and Balanced Disclosure	Annual Reports: Timely and accurate disclosures are made in Annual reports as per Rule 51 of Listing Rules.	The Company publishes and releases its Annual Report yearly as per listing rules. All timely and accurate disclosures including director remuneration are made in the Annual Reports. Board meetings are held regularly (at least three meetings per year) to update the directors on the Company performance and get major decisions clarified and passed at Board level. The Company notes that as per the listing rules four board meetings are required however based on company structure and geographical location the Managing Director constantly coordinates with all board directors via online. The Company has sub-committee whereby other issues/matters are covered which is then relayed in the board meetings. Therefore the company/board feels three board meetings together with MD constant coordination is sufficient for discussing strategic issues. The Company periodically releases the required information to the public /shareholders by way of market announcements, as required by the listing rules of the SPX.
	Payment to Directors and Senior management: Sufficient information to be provided to shareholders on remuneration paid to Directors and Senior management.	
	Continuous Disclosure: General disclosures or company announcements to be made in a timely manner. The disclosures should be factual without omitting material information and to be expressed in a clear and objective manner to shareholders.	
(6) Promote ethical and responsible decision-making	Code of Conduct: To establish a minimum Code of Conduct of the listed entity applicable to directors, senior management and employees and conduct regular trainings on the same.	The Company has established a minimum code of conduct whereby it promotes and believes that all directors and employees uphold high standards, honesty, fairness, and equity in all aspects of their employment and association with the Company. This is also discussed in all board meeting.
(7) Register of Interests	Conflicts of Interest: Transactions with related parties resulting in conflict of interest are disclosed and a register is maintained for this purpose.	Transactions with related parties (if any) are disclosed in the Annual Report. All board members declare their interests (if any) at the Board meetings and such interests are recorded in the Board minutes.
(8) Respect the rights of shareholders	Communication with shareholders: To design communication strategy to promote effective communication with shareholders and encourage their participation. Examples: Communication through Annual Reports, Annual General Meetings, or any other means of electronic communication.	An Annual General Meeting is held every year in accordance with the Articles of Association of the Company and shareholders are encouraged to participate. The Annual Report is also published each year and circulated to the shareholders of the Company.
	Website: To create and maintain a Website of the listed entity to communicate effectively with shareholders and other stakeholders. All matters of importance to be updated regularly on the Website.	Company does not have a separate website for shareholder communication. All shareholders and other stakeholders are provided the information to the SPX web page. All shareholder queries can be directed / emailed to the Company Secretary who is responsible for replying / addressing them.
	Grievance Redressal Mechanism: To establish a Grievance Redressal Mechanism for Shareholders to address shareholders complaints and grievances.	The Company Secretary is in charge of addressing Shareholders grievance/complaints. Shareholders are encouraged to email all queries /grievance or complaints directly to the company secretary for efficient response as such the Company Secretary will liaise with the Managing Director and respond accordingly. The Shareholders' complaints (if any) are noted and resolved accordingly in an efficient manner. There were no complaints received from the shareholders during the year.
	Shareholders' Complaints: To provide the number of shareholders' complaints received and attended to during the year. Provide reasons if any complaint is unresolved or unattended.	

**Pacific Green Industries (Fiji) Limited**

**Listing requirements of the South Pacific Stock Exchange (unaudited and not included elsewhere in the Annual Report)**  
– Cont.

**(6) Annexure P: Annual Compliance Report on Corporate Governance - Disclosure under Section 51.2 (xix):**  
– Cont.

Principle	Requirement	Compliance Status
cont.  <b>(8)</b> Respect the rights of shareholders	Corporate Sustainability: To adopt a business approach that creates long-term shareholder value by embracing opportunities, managing risks, maximising profits and minimising negative social, economic, and environmental impacts.	The Company is a responsible furniture manufacturer being committed to promoting Palmwood as an ecologically-sound substitute for endangered hardwood, while simultaneously highlighting its inherent, unique beauty. The company not only made senile coconut palmwood commercially viable but the manufactured products pay homage to the traditional handcrafting skills of the world's indigenous people and will continue to help these communities to keep alive these special crafts. Further during these times of 'global warming' and the destruction part played by deforestation our company mission-Save Forest use Palmwood is particularly appropriate to today's dilemma.
<b>(9)</b> Accountability and Audit	Internal Audit: To appoint an internal auditor or an alternative mechanism to achieve the objectives of risk management, control and governance.	The company has its internal audit guideline and has monthly internal audits to achieve the objective of risk management, control and governance.
	External Audit: To appoint an external auditor who reports directly to the Board Audit Committee.	The Company is audited externally each year and receives an independent audit report which forms part of the Annual Report. The external auditor is appointed by the shareholders' approval at the Annual General Meeting. The senior partner of the audit firm rotates once in every three years.
	Rotation of External Auditor: To appoint the external auditor for a fixed term requiring senior partner of the audit firm to rotate once in every three or less financial years.	
	Audit Committee: To establish an Audit Committee comprising of at least 3 members of which majority are independent and Chair is not Chair of the Board.	The Audit and Finance Committee is responsible for overseeing the financial reporting and disclosure process, performance and independence of the external auditors, monitoring risk management policies and practices with management.
<b>(10)</b> Recognise and Manage Risk	Risk Management Policy: To establish a Risk Management Policy to address risk oversight, risk management and internal control. The Policy to clearly define the roles and responsibilities of the Board, Audit committee, management and internal audit function.	The Company has in place a Risk Management Policy to ensure that key business and operational risks are identified, and appropriate controls and procedures are put in place to manage those risks.
	Whistle Blower Policy: As part of risk management strategy, establish a Whistle Blower Policy by creating a mechanism of reporting concerns of unethical behavior, actual or suspected fraud or violation of the listed entity's code of conduct or ethics policy, SPX Rules or Companies Act. [Refer Rule 68 of the Listing Rules]	The Company encourages its employees and shareholders to report directly to the Managing Director or Company secretary any breach of company rules or policies. The Company has a Whistle Blower Policy in place.

**Pacific Green Industries (Fiji) Limited**

**Listing requirements of the South Pacific Stock Exchange (unaudited and not included elsewhere in the Annual Report)**  
**– Cont.**

**(7) Disclosure under Section 51.2 (viii):****Board Meetings**

<b>Director</b>	<b>Number of Meetings held</b>	<b>Number of meetings Attended</b>	<b>Apology (AP)</b>
Mr Samuel Ram – Chairman	3	3	-
Mr Ravin Chandra	3	3	-
Mr.Ashnil Prasad	3	3	-
Mr Abilash Ram	3	3	-
Mr Dominic Ryan	3	3	-
Mr Adish Naidu	3	2	AP

**Board Sub-Committees:** The Board has two standing committees.

**(i) The Audit and Finance Committee inclusive of Risk and Compliance**

The Audit and Finance Committee inclusive of Risk and Compliance are selected by the Board and was formed in 2009. They are responsible for the external audit of the Company's affairs, reviewing half year and annual financial statements. They assist the Board in fulfilling its responsibilities by coming up with recommendations, advice and information concerning accounting and reporting responsibilities and evaluating risk management practices. The Committee meets twice a year or as required. The Committee comprises Mr. Ravin Chandra and Mr. Dominic Ryan.

**(ii) The Strategic Sub Committee**

The Strategic Committee comprises all the Board members and is chaired by the Board Chairman. The Directors are briefed with their roles and responsibilities as Board members of the Group. The Group strategic plans are reviewed annually by all the Board members.

**The Company Share Registry is maintained at its registered office and principal place of business in Fiji:**

Pacific Green Industries (Fiji) Limited  
 Queens Road  
 Malaqereqere  
 Sigatoka  
 Republic of Fiji  
 Phone contact: (679) 650 0055  
 Fax contact : (679) 6520 014

Company Secretary: Miss. Shabnam Prasad

## PROXY FORM

[Pursuant to Section 157 and 158 of Companies Act 2015]

### PACIFIC GREEN INDUSTRIES (FIJI) LIMITED

Name of the Member: \_\_\_\_\_

Registered Address: \_\_\_\_\_

SIN: \_\_\_\_\_

I /We, being the member (s) of \_\_\_\_\_ shares of Pacific Green Industries (Fiji) Limited hereby appoint,

1. Name \_\_\_\_\_, of \_\_\_\_\_  
or failing that;

2. Name \_\_\_\_\_, of \_\_\_\_\_

as my/our proxy to attend and vote on a show of hands and poll on my/our behalf at the Annual General Meeting of Pacific Green Industries (Fiji) Limited, to be held on **25th June 2021 at 1:00pm at Pacific Green Showroom, Queens Highway, Malaqereqere, Sigatoka** and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Resolution No.	Resolutions	* Optional [Mark X]		
		For	Against	Abstain
	<b>Ordinary Business</b>			
1	Consideration of Audited Financial Position and Comprehensive Income Statement and the reports of the Directors and Auditors, for the year ended 31 December 2020			
2 (a)	Re-election of Director: Mr. Abilash Ram			
2 (b)	Re-election of Director: Mr. Adish Naidu			
3	Appointment of Auditors - Messrs. PricewaterhouseCoopers			
4	Confirmation on Dividend: No Dividend paid/declared for year 2020			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

Signature of Member (s) \_\_\_\_\_

Notes:

- \* It is optional to put 'X' in the appropriate column against the Resolution indicated in the Box.  
If you leave the 'For'/'Against'/'Abstain' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority to conduct a poll.
- If a representative of the corporation is to attend the meeting, "Appointment of Corporate Representative" should be filled in. If the Corporate Representative wishes to appoint a Proxy, this Form must be duly filled.
- This Proxy Form must be received by the Company on the following address: PO Box 832, Sigatoka or at Share Registry at Queens Highway, Malaqereqere, Sigatoka or email on: [pacificgreen@connect.com.fj](mailto:pacificgreen@connect.com.fj) / [pgfiji@connect.com.fj](mailto:pgfiji@connect.com.fj) by **23rd June 2021** being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.



## Appointment of Corporate Representative

[Pursuant to Section 160 of Companies Act 2015]

**This form may be used by a company or other body corporate which is a security holder or which has been appointed as a proxy by a security holder.**

*Insert the name of the body corporate making the appointment*

**Hereby appoints**

*Insert the name of the appointee. Please note that multiple representatives can be appointed but only one representative may exercise the body corporate's powers at any one time.*

to act as its representative at  all meetings **OR**  the meeting to be held on  
**25th June 2021**

**Of**

**PACIFIC GREEN INDUSTRIES (FIJI) LIMITED**

*SIGNATURES - THIS MUST BE COMPLETED*

Common Seal (if applicable)	Director	Sole director & Sole secretary
	Director /Company secretary	Date

### Information:

In order to be effective, the form must be received by Pacific Green Industries (Fiji) Limited on the following address: PO Box 832, Sigatoka or at Share Registry at Queens Highway, Malaqereqere, Sigatoka or email on: [pacificgreen@connect.com.fj](mailto:pacificgreen@connect.com.fj) / [pgfiji@connect.com.fj](mailto:pgfiji@connect.com.fj) by **23rd June 2021** being not later than 48 hours before the commencement of the meeting. The original of the form will be retained by the company.

A body corporate may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise at meetings of a company's members, creditors or debenture holders. The appointment maybe by reference to a position held provided that the appointment identifies the position.

The appointment must be executed in accordance with the body corporate's Articles of Association and (if applicable) Section 53 of the Companies Act 2015. An appointment may be a standing one, which will continue until revoked.

If more than one representative is appointed, only one representative may exercise the body corporate's power at any one time.

## **PRE-REGISTRATION FORM FOR ONLINE ATTENDANCE**

I/We\* named below, being a shareholder of the Company, wish to register my/our\* attendance for the Annual General Meeting through Zoom.

I / We\* understand that the Company shall be entitled to reject the Pre-registration Form which is incomplete, improperly completed, illegible or where true intentions of the shareholder of the Company are not ascertainable from the instructions specified in the Preregistration Form.

Name(s) of Shareholder(s): \_\_\_\_\_

Name of attendee: \_\_\_\_\_

Voter identification card number/ Passport Number/ Company Registration Number: \_\_\_\_\_

Shareholder Identification Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Contact Number(s): \_\_\_\_\_

Signature(s): \_\_\_\_\_

Date: \_\_\_\_\_

*\* Where authorized representative of a company or proxy holder for a shareholder. (Also attach proxy)*

### **IMPORTANT:**

Please note the following:

1. Full name and voter identification card number/passport number(s)/ company registration number is required for the purposes of verification. *(Also attach copy)*
2. By completing and submitting this form, you agree and acknowledge that the Company and / or our service provider may collect, use and disclose your personal data, as contained in your submitted form for the purpose of processing and effecting your request.
3. Photographic, sound and/ or video recordings of the Company's AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the Company's AGM. Accordingly, the personal data of a shareholder of the Company (such as his name, his presence at the Company's AGM and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.
4. Shareholders should raise their hand to vote.

**NOTE:** This duly completed Pre-registration Form must be emailed to **[pacificgreen@connect.com.fj](mailto:pacificgreen@connect.com.fj)** or **[pgfiji@connect.com.fj](mailto:pgfiji@connect.com.fj)** by Friday 18<sup>th</sup> June 2021.