

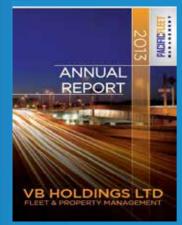
PREVIOUS YEARS ANNUAL REPORTS



ANNUAL REPORT 2016

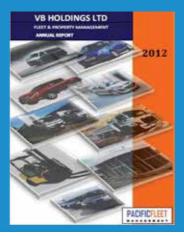
CELEBRATING (70) YEARS AS A PUBLIC COMPANY





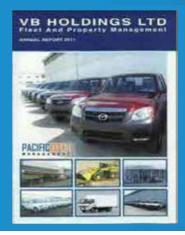


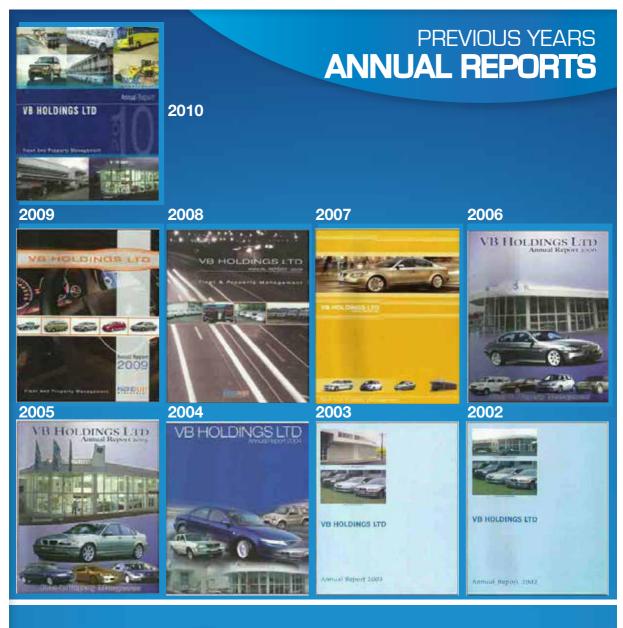












Pt. Vishnu Deo OBE

VB HOLDINGS LTD

Founder

BOARD OF DIRECTORS



Mr. Devanesh Sharma Chairperson



Mr. Nitish (Bob) Niranjan Managing Director / CEO



Ms. Jinita Prasad Director



Mr. Narayan Singh Niranjan Director



Mr. Ratnesh Singh Director

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Through the right focus and business strategy, we aim to deliver on our promise to be the preferred asset management company.

CORPORATE GOAL

Maximize value of our business and ensure consistent return to our shareholders with the successful management of our two classes of assets.

OUR THREE PRONGED STRATEGY CONTINUOUS BUSINESS IMPROVEMENT

Restoring operational excellence and profit growth in fleet
 management

- · Growth initiatives in property management
- Strengthening shareholders' equity & stakeholders interests

BUSINESS CULTURE

- Create accountability
- Continual growth of shareholders' value

SUSTAINABLE GROWTH

- Strong expansion of both classes of assets
 - Investing for the future

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Message from the Chairperson and Managing Director/CEO



DEVANESH SHARMA Chairperson



NITISH (BOB) NIRANJAN Managing Director / CEO We are pleased to present to you, on behalf of your Board of Directors, the Annual Report of the Company for the financial year ended 31st December 2020. The Annual Report has been with the shareholders for the prescribed period of time, and we shall, with your permission, take it as read. The Company proved more than equal to the task in a turbulent year marked more by events of disruption in numerous macroeconomic fronts which tested the resilience of the Company throughout the year.

As a Company that has stood the test of time, we are optimistic that VB Holdings Limited will take it in its stride, demonstrating the versatility and adaptability which is inherent to us as an organisation. We ended the year on a moderately successful note although it must be added, with dampened enthusiasm and dented optimism for the year ahead. The effects of the Covid -19 crisis began to manifest itself in the local and global business environment, with deteriorating customer revenues creating severe liquidity and plummeting confidence levels adversely affecting the general business sentiments.

Despite the -4.3% GDP growth pre-forecasted by the Reserve Bank (RBF) in early publications, the actual contraction stood at -19% by December 2020, however, with an inflation rate of -2.8% due to the heavy incentive package by the Fiji Government in its interim Budget, in August 2020. The significant downturn of Tourism and other related sectors due to the pandemic, has not only resulted an overall reduction of GDP but, some depletion of the foreign reserves through reduced import revenue and overseas remittances. These implications have affected adversely, for unemployment, dispensable income, liquidity and cash circulation intensity in the market resulting a less demand for capital goods. In addition, natural disasters and tropical cyclones experienced by the community during the latter part of the FY, has worsen purchasing patterns and intentions of the public, creating more challenging and competitive environment in the financial market.



Message from the Chairperson and Managing Director/CEO



Nevertheless, aftermath of an unprecedented catastrophe of COVID-19, the IMF World Economic Outlook is anticipating a 5.5% GDP expansion in 2021 for the world economy, following a 3.5% contraction in 2020. Similarly, the Government of Fiji and the entire economic mechanism are also determined to recover at a paroral phase in 2021, and at 4.2% in 2022, through advanced market tactics and flexible international trade policies.

At entity level, as prudently forecasted and emphasized in our last Annual General Meeting, our conservative risk approach and strategies implemented throughout the year, allowed us in achieving a moderate growth in terms of the customer base and revenue during the last quarter of the year despite of a 15% overall reduction (\$4.3 million in 2019 VS \$3.6 million in 2020) of the total revenue of the current FY, compared to 2019. Our stringent approach of cost management in various disciplines led to achieve a significant reduction in the overall operating cost of the business by 32% (\$3.0 million in 2019 VS \$2.0 million in 2020) compared to last FY. Consequently, the operating profit resulted an increase of 23% (\$1.3 million in 2019 VS \$1.6 million in 2020) which is a remarkable achievement despite of all challenges encountered in the FY. The final results of the current FY after corporate taxes, stood at a 13.5% less (\$1.6 million in 2019 VS \$1.39 million in 2020) while achieving a 38% net profit margin which is more or less similar to what VB Holdings Limited had achieved in 2019.

Devansyma

DEVANESH SHARMA Chairperson

Furthermore, we are pleased to announce the acquisition of the Bidesi commercial property located at Waimanu Road, Suva, enlarging our property portfolio with secured income for the investment. In addition, the series of auctions organized by one of our authorized AMVD partner, M/s Niranian Autoport Pte Limited, has increased both finance and operating leasing portfolios during the last quarter of the financial year. Our Corporate Social responsibilities towards the Fiji community and society were never neglected amidst the challenging environment. Apart from the support extended to schools, the Board has sanctioned for 20% rental reduction for all the tenants for 6 months. More importantly, we are proud to mention that a dividend of 0.14 cents has been declared and paid to the shareholders in 2020, implying the strength of the cashflows and consistency of return of the Business.

Overall, we are sure that 2020 is an unforgettable year for all of you, as shareholders and for us, as the Board where we had to undergo various challenges to secure the Business, however, should have not been successful, without a well versed and committed Board of Directors, and key management personnel. Eventually, I would like to commend all the management and staff, shareholders and our valuable customers of VB Holdings Limited, for their contribution towards the business and as a team, we look to exceed expectations in coming years.

NITISH (BOB) NIRANJAN Managing Director / CEO

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FINANCIAL OVERVIEW TABLE

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010
Turnover	400,000	605,856	915,218	1,300,084	1,684,575	2,045,180	1,634,233	1,742,274	2,376,094
Net Profit After Tax	117,887	74,250	235,531	332,243	418,223	252,162	150,234	151,078	594,538
Dividend	60,000	100,000	101,000	158,100	198,900	183,600	196,026	199,522	213,736
Dividend Per Share (DPS)	0.10	0.10	0.10	0.10	0.13	0.12	0.13	0.13	0.12
Net Tangible Assets Per Share	1.36	1.27	1.40	1.72	1.91	1.88	1.93	1.91	2.20
EPS - \$	0.20	0.07	0.23	0.22	0.27	0.16	0.10	0.09	0.33
Total Assets	2,529,587		3,109,146	4,520,454	6,573,726	6,813,922	6,261,812	7,735,280	9,765,927
Share Holders Fund	813,085		1,427,466	2,626,709	2,922,532	2,883,994	3,034,228	3,058,806	3,920,513
Share Price	1.33	1.31	2.00	2.11	2.60	2.90	3.00	2.98	2.99
No of Shares	600,000		1,020,000	1,530,000	1,530,000	1,530,000	1,568,208	1,603,021	1,781,134
Return to Shareholders	12.00%	6.02%	60.31%	10.50%	29.38%	16.15%	7.93%	3.67%	4.36%
Return of Equity	14.50%	5.86%	16.50%	12.65%	14.31%	8.74%	4.95%	4.94%	15.16%
Fleet Management	37,971	315,756	660,758	1,090,656	1,478,878	1,828,103	1,446,388	1,571,018	2,144,882
Property Management	147,220	124,384	195,410	192,842	205,697	217,077	193,747	171,256	231,212
Market Capitalisation	798,000		2,040,000	3,228,300	3,978,000	4,437,000	4,704,624	4,777,003	5,325,591

SHARE PRICE TREND



EARNINGS PER SHARE





FINANCIAL OVERVIEW TABLE

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
2,411,017	2,814,181	3,612,272	5,346,499	7,208,289	7,617,177	6,764,140	5,577,963	4,325,649	3,662,675
697,854	696,067	609,476	1,389,149	1,414,838	2,094,403	1,860,765	1,356,667	1,618,444	1,399,889
213,736	213,736	249,359	274,297	299,237	299,236	299,236	470,229	299,236	299,236
0.12	0.12	0.14	0.14	0.14	0.14	0.14	0.15	0.14	0.14
2.47	2.74	2.95	4.92	5.38	6.22	7.02	7.43	8.05	8.56
0.39	0.39	0.34	0.65	0.66	0.98	0.87	0.63	0.76	0.65
8,486,899	10,468,616	9,951,026	22,903,960	20,890,643	18,913,864	18,625,352	17,242,063	19,077,376	20,160,024
4,404,631	4,886,962	5,247,079	10,526,047	11,492,030	13,287,197	14,998,344	15,884,782	17,203,990	18,304,643
2.98	3.00	3.08	3.18	3.60	3.98	4.50	7.75	7.00	6.00
1,781,134	1,781,134	1,781,134	2,137,403	2,137,403	2,137,403	2,137,403	2,137,403	2,137,403	2,137,403
3.68%	4.70%	7.33%	7.79%	17.61%	14.44%	16.58%	75.56%	-7.87%	-12.29%
15.84%	14.24%	11.62%	13.20%	12.31%	15.76%	12.41%	8.54%	9.41%	7.63%
2,155,771	2,600,994	3,334,971	4,069,079	6,288,774	6,506,441	5,807,655	3,591,576	3,130,457	1,656,262
220,592	191,610	192,833	293,421	327,982	307,629	329,130	348,286	335,069	290,633
5,307,779	5,343,402	5,485,893	6,796,942	7,694,651	8,506,864	9,618,314	16,564,873	14,961,821	12,824,418

Year	2018	2019	2020
Highest Market Price During Financial Year	7.75	7.75	7.00
Lowest Market Price During Financial Year	4.50	6.99	6.00
Market Price at the end of the Financial Year	7.75	7.00	6.00

DIVIDENDS



NET PROFIT AFTER TAX





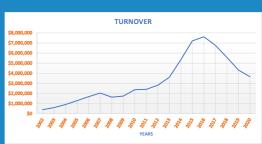


FINANCIAL TRENDS (CONTINUED)

FINANCIAL RESULTS

The company recorded total revenue of \$3,662,675 for the 2020 financial year. The operating profit was recorded at \$1,604,645 (2019: \$1,302,697) which is a 23% increase compared to the previous year.

Expenditure also decreased from \$3,022,952 to \$2,058,030 in 2020 mainly due to controlled expenditure. Profit after Tax stood at \$1,399,889 compared to \$1,618,444 in 2019. The Company's total assets have increased by \$1,041,067 with total assets of \$20,160,024 recorded in 2020. The Net assets of the company increased by \$1,100,653 and was recorded at a value of \$18,304,643 at the end of 2020.





RETURN TO SHAREHOLDERS

The company has operated on principle and transparency, focused on creating value for all its stakeholders, and shareholders. Shareholders equity has increased. At the Balance Sheet date, it stood at \$18.3 million. The Board has declared and paid an interim dividend of 7 cents per share and a final dividend of 7 cents per share, thus the total dividend payout was 14 cents per share. As at 31 December 2020 the share price of VBH stands at \$6 with a total market capitalization of \$12.82 million.

FLEET MANAGEMENT

Fleet Management has become an essential segment of the business. This year Fleet Management has generated 85% of the total revenue. The total revenue for the fleet division for the year 2020 was \$1,656,262 compared to \$3,130,457 in 2019. This major dropdown in lease revenue has caused predominantly by the discontinuation of operating lease agreements for major clients due to COVID-19. However, the series of auctions held during the 2nd half of the FY, has increased the finance lease contracts and resulting revenue.





PROPERTY MANAGEMENT

The property Management Division has been consistent and stable. The division which was the Company's core business over the past 74 years and has contributed to 15% of the total revenue.

CORPORATE GOVERNANCE

#	Principle	Requirement	Compliance
1	Establish clear responsibilities for board oversight	Separation of duties: Clear separation of duties between Board and Senior Management	Complied Board of Directors' duty is to set strategies, communicate them to the management and over- view its validity time to time. Senior Management ensures to implement the strategies and ensure to report the performances to the Board on a regular basis to change the direction of the Company.
		Board Charter: Adopt a Board charter detailing functions and responsibilities of the Board. VB Holdings has a board charter in place.	Complied Duties & responsibilities and the strategic direction of the business is discussed at Board meetings and communicated to the management.
2	Constitute an effective Board	Board Composition: Balanced Board Composition with Executive and Non-Executive directors of which 1/3rd of total number of directors to be independent directors.	Complied The Board consist of 5 mem- bers of which 40% are Executive Directors and the balance 60% are Non- Executive Directors. In addition, all Non-Executive directors are Independent Directors
			from the Business. All directors are well qualified and well-experienced in their line of expertise.
		Gender Diversity: Do you have a policy for promoting gender diversity at Board level and have you achieved your policy goals? VB Holdings has a gender diversity policy	Complied The Board always promotes gender diversity and welcome various skills from different genders. The female independent director was appointed as a result, diversifying the gender mix of the Board.
		Nomination Committee: Selection, approval, renewal and succession of Directors to be conduct- ed by Nomination Committee in accor- dance with Articles of Association of the Company and Fit and Proper Policy of Reserve Bank.	Complied Nomination committee is headed by a Non-Executive independent director to ensure transparency of the Board appointments and removals.
		Board Evaluation: Process of evaluation of performance of the Board, its Committees and individ- ual directors. Evaluation to be linked to key performance indicators of the listed entity.	Complied All members of the board are well qualified and experienced in their respective areas. The board evalua- tion process is done by the Chairper- son on a yearly basis.
		Directors Training: Directors' training and induction procedure to be in place to allow new directors to participate fully and effec- tively.	Complied All board members have attended numerous trainings in their field of expertise both locally and overseas organized by various organizations including the reserve bank, Austra- lian Institute of Company Directors, SPX.

CORPORATE GOVERNANCE (CONTINUED)

#	Principle	Requirement			liance	,
		All Directors participate in discussing	Complied			s follows
		strategy, Performance and financial risk	Directors	Meetings Entitled	Meetings Attended	Apologies Recieved
		management of the company. The Board met 4 times during the financial year ended	Devanesh	4	Attended 3	1
		31st December 2020	Sharma Nitish Niranjan	4	4	0
			Narayan Singh Niranjan	4	0	4
			Jinita Prasad	4	4	0
			Ratnesh Singh	4	4	0
		Board Sub-committees: Board must have sub-committees which must at a minimum include - • Audit Committee; • Risk Management Committee; and • Nomination Committee/Recruitment Committee	Complied There are namely, the by Ms. Jin Independe ment comr Niranjan ar Committee Committee Sharma (N Director).	three (3 Audit C ita Pras nt Direc nittee he nd the R and a, heade	Committe ad (Non tor), Risl eaded by emunera the N d by Mr.	ee, headed -Executive < Manage- / Mr. Nitish ation Jomination Devanesh
3	Appointment of Chief Executive Officer / Managing Director	CEO: To appoint a suitably qualified and competent Chief Executive Officer/ Manag- ing Director	Complied Mr. Nitish N ed as the act as a Company.	Niranjan CEO of	the Con	npany and
4	Appointment of a Board and Company Secretary	Company Secretary: Board to appoint a suitably qualified and competent. Company Secretary, who is ac- countable to the Board, through Chair, for all compliance and governance issues.	Complied Mr. Nitish N ny Secreta ny.	Viranjan		
5	Timely and balanced disclosure	Annual Reports: Timely and accurate disclosures are made in Annual reports as per Rule 51 of Listing Rules.	the deadlin Board mee business n municate n agement for ments are auditors (E lished with other requi stipulated terly inform	ures an on a tir les stipu ts every elated in them to praction audited frinst & n the A red info time pen nation an ble on t	mely bas quarter matters the se on the set of the	sis as per v SPX. The to discuss and com- nical state- dependent and pub- eport with within the
		Payment to Directors and Senior management: Sufficient information to be provided to shareholders on remuneration paid to Directors and Senior management.	Complied Annual Rep Financial payments directors.	Statem	ents di	sclose all

CORPORATE GOVERNANCE (CONTINUED)

#	Principle	Requirement	Compliance
		Continuous Disclosure: General disclosures or company announcements to be made in a timely manner. The disclosures should be factual without omit- ting material information and to be expressed in a clear an objective manner to shareholders.	Complied All disclosures and announcements are published on or before the stipulat- ed time lines and with complete infor- mation without omission.
6	Promote ethical and re- sponsible decision making	Code of Conduct: To establish a minimum Code of Conduct of the listed entity applicable to directors, se- nior management and employess and con- duct regular traings on the same.	Complied The Board always encourages un-bi- ased environment for better and transparent decision making. All deci- sions are based on careful review and justifications provided to the board. Even miniority shareholders' concerns are being considered in making deci- sions.
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	Complied All related party transactions with detail information have been disclosed in the Audited Financial Statements. These are further established by the individual contracts between related entities to ensure ethical business platform.
8	Respect the rights of shareholders	Communication with shareholders: To design communication strategy to pro- mote effective communication with share- holders and encourage their participation. Examples: Communication through Annual Reports, Annual General Meetings, or any other means of electronic communication.	Complied All the shareholders are informed via market announcement. AGM is held to educate the shareholderson the per- formances of the business and declare dividends.
		Website: To create and maintain a Website of the listed entity to communicate effectively with shareholders and other stakehold- ers. All matters of importance to be up- dated regularly on the Website.	Currently there is no website for VBH, but work is in process on this and we must come up with something in the next 12 months.
		Grievance Redressal Mechanism: To establish a Grievance Redressal Mechanism for Shareholders to address shareholders complaints and grievances.	Complied The Grievance redressal policy reg- ulates addressing the procedures of Shareholder grievances.
		Shareholders' Complaints: To provide the number of shareholders' complaints received and attended to during he year. Provide reasons if any complaint is unresolved or unattended.	Complied The Company secretary and the Com- pliance Officer are charged with the responsibility to address shareholder Complaints. However, there were no complaints received from the share- holder in the current financial year.

CORPORATE GOVERNANCE (CONTINUED)

Principle	Requirement	Compliance
	Corporate Sustainability: To adopt a business approach that creates long-term shareholder value by embracing opportunities, managing risks, maximizing profits and minimizing negative social, eco- nomic, and environmental impacts.	Complied VBH has sustained in the market for 73 years and has provided long term return to its shareholders.
Accountability and audit	Internal Audit: To appoint an internal auditor or an alterna- tive mechanism to achieve the objectives of risk management, control and governance.	Complied The Internal audit department audits the Company procedures, policies and transactions on a monthly basis and provides a report to CEO for decisions.
	External Audit: To appoint an external auditor who reports directly to the Board Audit Committee.	Complied Appointment of external auditors is done at the AGM.
	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.	Complied The Board ensures to rotate the Exter- nal auditors in every three to six years cycle through a tender process and the senior partner is rotated every 3 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.	Complied Audit Committee is chaired by a Non-Executive Independent direc- tor Ms. Jinita Prasad, who is not the Chairperson of the Company .
Risk Management	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.	Complied Risk management policy regulates the procedures of identifying, forecasting and reducing/eliminating risks for the business.
	Whistle Blower Policy: As part of risk management strategy,estab- lish a Whistle Blower Policy by creating a mechanism of reporting concerns of unethi- cal behavior, actual or suspected fraud or vi- olation of the listed entity's code of conduct or ethics policy, SPX Rules or Companies Act. [Refer Rule 68 of the Listing Rules].	Complied Whistle Blower Policy is in place to ensure transparency of the transac- tions and events of the Company.
		Iong-term shareholder value by embracing opportunities, managing risks, maximizing profits and minimizing negative social, economic, and environmental impacts. Accountability and audit Internal Audit: To appoint an internal auditor or an alternative mechanism to achieve the objectives of risk management, control and governance. External Audit: To appoint an external auditor who reports directly to the Board Audit Committee. 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. Risk Management Risk Management Policy: 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. Risk 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

CORPORATE SOCIAL RESPONSIBILITY



VB Holdings Ltd (VBH) a pioneer asset management company, has delivered computers to rural Schools as part of its Corporate Social Responsibility program.

VBH established in 1945 and has been setting aside a portion of its profits to provide educational scholarships. Since mid 90's it has provided school fees for high school students, who could not complete their studies due to financial constraints but had good marks.

The program over the years grew to provide school fees for approximately 70 students a year. However, VB Holdings Ltd under its Corporate Social Responsibility Program, now donates computers to schools instead, since the Government provides school fees and other educational assistance.

This year the Company has provided over 39 computers to Navatu Secondary School, Uluivalili College, Vunidawa Sanatan, Tai District School, William Cross College, Ba Sanatan College, Ba Special School, Sigatoka Special School and Sigatoka Methodist College

Although it is a public company for nearly 74 years, the Company listed on the SPX in 2001. The company has been providing this Educational Program to Schools under Sanjeev Niranjan Scholarship Program and works closely with the Ministry of Education.

The Company Chairman (former), Mr. S.M. Sukhu said "We hope this donation will make a lasting impact in the lives of many students and that it will encourage e-learning, provide them with a much-needed learning tool and enrich their lives."

We thank our shareholders and customers for their continued support and confidence in VB Holdings Ltd that allows us to provide this dividend to the community.

CORPORATE SOCIAL RESPONSIBILITY

(CONTINUED)

Year	School Name	Location	Allocation of Computers
2015			
	Ram Lakhan Memorial Primary School	Nasinu	12 Computer Set
2016			
	Tailevu North College	Tailevu	11 Computer Set
	Munaiweni College	Nausori	11 Computer Set
	Rewa Secondary School	Nausori	11 Computer Set
2017			
	Saint Teresa of Lisieux College	Sigatoka	10 Computer Set
	Lomawai Secondary School	Sigatoka	10 Computer Set
	Nakauvadra High School	Rakiraki	10 Computer Set
	Navosa Central College	Sigatoka	10 Computer Set
	Nukuloa College	Ва	10 Computer Set
2018			
	Ra High School	Rakiraki	10 Computer Set
	Wainimakutu Secondary School	Namosi	10 Computer Set
	Mulomulo Muslim Primary School	Nadi	10 Computer Set
	Naqaqa SDA Primary School	Rakiraki	10 Computer Set
	Madhuvani Primary School	Rakiraki	10 Computer Set
	Naria Primary School	Rakiraki	10 Computer Set
2019			
	Koroqaqa Primary School	Nausori	6 Computer Set
	Naitasiri Secondary School	Nausori	6 Computer Set
	Dravo District School	Nausori	6 Computer Set
	Ba Methodist Secondary School	Ва	6 Computer Set
	Balata College	Ва	6 Computer Set
	Khalsa College	Ва	6 Computer Set
	Saivou District School	Ra	6 Computer Set
2020			
	Navatu Secondary School	Cakaudrove	5 Computer Set
	Uluivalili College	Cakaudrove	5 Computer Set
	Vunidawa Sanatan	Nausori	5 Computer Set
	Tai District School	Nausori	3 Computer Set
	William Cross College	Suva	5 Computer Set
	Ba Sanatan College	Ва	5 Computer Set
	Ba Special School	Ва	3 Computer Set
	Sigatoka Special School	Sigatoka	3 Computer Set
	Sigatoka Methodist College	Sigatoka	5 Computer Set

MARKET ANNOUNCEMENTS

Public Release VBH invests 3 Million



Market Announcement VBH Declares 2nd Interim Dividend



Market Announcement Further Assistance to Customers





Market Announcement Result of AGM of VBH



Market Announcement Annual General Meeting



Market Announcement VBH Declares Interim Dividend



Market Announcement Half Year Accounts/Report

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Market Announcement Appointment of Chairman













VB HOLDINGS LIMITED DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

In accordance with a resolution of the Board of Directors, the Directors herewith submit the statement of financial position of VB Holdings Limited ("the Company") as at 31 December 2020, the related statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended on that date and report as follows:

Directors

The names of the Directors of VB Holdings Limited at the date of this report are: Devanesh Sharma - Chairman (Appointed - 17 March 2020) Sundar Masih Sukhu - Chairman (Deceased - 28th January 2020) Narayan Singh Niranjan Nitish Singh Niranjan Ratnesh Singh Jinita Prasad

Principal activities

The principal activities of the Company during the financial year were that of property investment, financing of vehicles sold by related parties and fleet management services. There were no significant changes in the nature of these activities during the financial year.

Results

The net profit after income tax for the Company amounted to \$1,399,889 (2019: \$1,618,444) after providing income tax expense of \$204,756 (2019: \$214,253).

Dividends

During the financial year, the Company declared and made two dividend payments totalling to \$299,236.42 at the rate of 7 cents per share per dividend payment (2019: the Company declared and made two dividend payment totalling to \$299,236.42 at the rate of 7 cents per share per dividend payment).

Reserves

The Directors recommended that no transfer to be made to reserves, within the meaning of the Fiji Companies Act.

Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of business activities and the realisation of assets and the payments of liabilities in the normal course of business.

Bad and doubtful debts

Prior to the completion of the Company's financial statements, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the provision for doubtful debts. In the opinion of Directors, adequate provision has been made for doubtful debts.

VB HOLDINGS LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020



Bad and doubtful debts (Continued)

As at the date of this report, the Directors are not aware of any circumstances which would render the amount written off for bad debts or the provision for doubtful debts inadequate to any substantial extent.

Non-current assests

Prior to the completion of the financial statements, the Directors took reasonable steps to ascertain whether any non-current assets were unlikely to be realised in the ordinary course of business compared to their values as shown in the accounting records of the Company. Where necessary, these assets have been written down or adequate provision has been made to bring the values of such assets to an amount that they might be expected to realise.

As at the date of this report, the Directors are not aware of any circumstances, which would render the values attributed to non-current assets in the Company's financial statements misleading.

Unusual transactions

In the opinion of the Directors, the results of the operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material unusual nature, nor has there arisen between the end of the financial year and the date of this report any item, transaction or event of a material unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Company in the current financial year, other than those reflected in the financial statements.

Significant events during the year

The former Chairman of the Company Mr Sundar Masih Sukhu passed away on the 28th of January 2020. The Directors had an Extraordinary General Meeting (EGM) to appoint the Chairman of VB Holdings Limited. Mr Devanesh Sharma has been appointed as the Chairman of VB Holdings Limited effective from 17 March 2020.

The Board of Directors had evaluated options to invest the excess funds of VB Holdings Limited and had successfully won the tender for the Bidesi commercial property. The acquisition process for this property is still in progress.

The COVID-19 outbreak was declared a pandemic by the World Health Organisation in March 2020. The Company has remained operational since this declaration and continues to engage in the leasing of motor vehicles and rental properties to its customers. We have not seen a significant impact on our business to date. The outbreak and the response of Governments in dealing with the pandemic is interfering with general activity levels within the community, the economy and the operations of our business. The scale and duration of these developments remain uncertain as at the date of this report however they are having an impact on our earnings, cash flow and financial condition. The Directors confirm that they considered all currently known impacts of COVID-19 when preparing the financial statements and applying the going concern concept.

Apart from the matters specifically referred to above, no transaction or event of a material and unusual nature likely, in the opinion of the Directors, has arisen, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Subsequent events

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



VB HOLDINGS LTD DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Other circumstances

As at the date of this report:

- (i) no charge on the assets of the Company has been given since the end of the financial year to secure the liabilities of any other person;
- (ii) no contingent liabilities have arisen since the end of the financial year for which the Company could become liable; and
- (iii) no contingent liabilities or other liabilities of the Company have become or is likely to become enforceable with
 -in the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or
 may substantially affect the ability of the Company to meet its obiligations as and when they fall due.

As at the date of this report, the Directors are not aware of any circumstances that have arisen, not otherwise dealt with in this report or the Company's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

Auditor independence

The Directors have obtained an independent declaration from the Company's auditor, Ernst & Young. A copy of the auditors independence declaration is set out in the Auditor's Declaration to the Directors of VB Holdings Limited on page 24.

Director's benefits

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements or received as the fixed salary of a full-time employee of the Company or of a related corporation) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which he or she is a member, or with a company in which he or she has a substantial financial interest.

Signed for and on behalf of the Board of Directors and in accordance with a resolution of the Directors.

Dated this 29th day of March 2021.

Director

Devansymas

Director



This Directors' declaration is required by the Companies Act, 2015.

The Directors of the Company have made a resolution that declares:

- a) In the opinion of the Directors, the financial statements of the Company for the financial year ended 31 December 2020:
 - comply with the International Financial Reporting Standards and give a true and fair view of the financial position of the Company as at 31 December 2020 and of the performance and cash flows of the Company for the financial year ended 31 December 2020; and
 - ii) have been prepared in accordance with the Companies Act, 2015.
- b) The Directors have received an independence declaration from the Company's auditor as required by Section 395 of the Companies Act, 2015; and
- c) At the date of this declaration, in the opinion of the Directors, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

For and on behalf of the Board and in accordance with a resolution of the Directors.

Dated this 29th day of March 2021.

Director

Devansyman Directo



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Auditor's Independence Declaration to the Directors of VB Holdings Limited

As lead auditor for the audit of VB Holdings Limited ("the Company") 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 VB Holdings Limited and the entities it controlled during the financial year.

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Ernst & Young Chartered Accountants

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Steven Pickering Partner Suva, Fiji 29 March 2021

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Independent Auditor's Report

To the Shareholders of VB Holdings Limited

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of VB Holdings Limited ("the Company"), which comprise the statement of financial position of the Company as at 31 December 2020, the statement of comprehensive income, the statement of changes in equity and the 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 its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). 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 are independent of the Company in accordance with the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. 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.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of the audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

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Key Audit Matters (continued)

Classification of leases

Why significant	How our audit addressed the key audit matter
The Company leases motor vehicles to customers under operating and finance lease arrangements.	Our audit procedures included the following:
As required by IFRS 16 Leases, the clas- sification of leases as either operating or financing is based on the extent to which the lease transfers the risk and rewards inciden-	 Understanding and evaluating of Company's controls over leases and the process of determining the classification of leases.
tal to ownership of an underlying asset. The accounting treatment for operating leases as a lessor is different from the accounting treatment for finance leases, the latter being	Assessing the accounting applied to both operating and finance leases for appropriateness by reference to IFRS 16.
similar to a sale of the asset with deferred payment terms. Assets under operating leases and finance lease receivables are significant financial statement components.	For a sample of lease arrangements, assessing the lease classifications used by the company considering the contractual terms of the arrangement and the requirements of IFRS 16.
The lease classification has a significant impact on the accounting applied and involves significant judgement. As a result we consider this a key audit matter.	

Other Information

The Directors and management are responsible for other information. The other information comprises the information in the Company's Annual Report for the year ended 31 December 2020 but does not include the financial statements and the 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 during the audit, or otherwise appears to be materially misstated. If, based upon the work 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.

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Responsibilities of the management and those charged with governance for Financial Statements

The Directors and management are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS 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 to cease operations, or have no realistic alternative but to do so.

Those charged with governance 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 ISA will always detect a material misstatement when it exists. Misstatement 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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.

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Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the Directors' and management's 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 the 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.

We are also required to provide the Directors and management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 of the current year 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.

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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:

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

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Ernst & Young Chartered Accountants

Ferren Rickering

Steven Pickering Partner Suva, Fiji 29 March 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020



	NOTES	2020 (\$)	2019 (\$)
Operating revenue	2 (a)	1,946,895	3,465,526
Other revenue	2 (b)	1,715,780	860,123
Total Revenue		3,662,675	4,325,649
Administrative expenses	3 (b)	(76,507)	(109,183)
Depreciation and amortisation expense	7	(1,379,864)	(2,081,165)
Impairment losses on trade receivables	19(b)	(144,789)	(91,071)
Operating expenses	3 (a)	(456,870)	(741,533)
Total administrative and operating expenses		(2,058,030)	(3,022,952)
Profit from operations		1,604,645	1,302,679
Change in fair value of investment properties	8	-	530,000
Profit before income tax		1,604,645	1,832,697
Income tax expense	4	(204,756)	(214,253)
Profit for the year		1,399,889	1,618,444
Other comprehensive income		-	-
Total comprehensive income for the year		1,399,889	1,618,444
Earnings per share			
Basic earnings per share	11	0 .65	0.76

This Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements.



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Retained earnings	Total
	\$	\$	\$
	(Note 12)		
As at 1 January 2019	3,688,527	12,196,255	15,884,782
Profit for the year and other comprehensive	-	1,618,444	1,618,444
	3,688,527	13,814,699	17,503,226
Dividends declared	-	(299,236)	(299,236)
As at 31 December 2019	3,688,527	13,515,463	17,203,990
As at 1 January 2020	3,688,527	13,515,463	17,203,990
Profit for the year and other comprehensive	_	1,399,889	1,399,889
	3,688,527	14,915,352	18,603,879
Dividends declared	-	(299,236)	(299,236)
As at 31 December 2020	3,688,527	14,616,116	18,304,643

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2020

VBH	
2019	

	Notes	2020	2019
		\$	\$
Current assets			
Cash and cash equivalents	13	153,598	3,615,012
Financial assets	5	1,508,046	423,202
Trade and other receivables	6 (a)	5,347,478	2,614,887
Current tax asset		-	66,912
Total current assets		7,009,122	6,720,013
Non-current assets			
Trade and other receivables	6 (b)	1,962,431	2,084,448
Plant and equipment	7	4,347,410	3,487,914
Investment properties	8	6,785,001	6,758,001
Deferred tax asset	4	56,060	41,581
Total non-current assets		13,150,902	12,398,944
Total assets		20,160,024	19,118,957
Current liabilities			
Trade and other payables	9	997,938	1,088,219
Current tax liability		45,827	-
Dividends payable	10	67,843	64,517
Total current liabilities		1,108,851	1,152,736
Non-current liabilities			
Deferred tax liability	4	746,530	762,231
Total non-current liabilities		746,530	762,231
Total liabilities		1,855,381	1,914,967
Net assets		18,304,643	17,203,990
Shareholders' equity			
Share capital	12	3,688,527	3,688,527
Retained earnings		14,616,116	13,515,463
Total shareholders' equity		18,304,643	17,203,990

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements.



VB HOLDINGS LIMITED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020	2019
Cash flows from operating activities		\$	\$
Receipts from operating activities		2,268,740	2,838,096
Payments for operating activities		(623,147)	(1,105,906)
Interest received		5,213	105,337
Income tax paid		(125,465)	(24,342)
Net cash flows from operating activities		1,525,341	1,813,185
Cash flows from investing activities			
Acquisition of plant and equipment and investment properties	7	(2,563,229)	(1,365,581)
Advance to Niranjans Autoport Pte Limited		(3,000,000)	-
Payment for term deposit		(1,000,000)	(1,000,000)
Proceeds from sale of motor vehicles		1,872,384	1,049,956
Net cash used in investing activities		(4,690,845)	(1,315,625)
Cash flows from financing activities			
Dividends paid	10	(295,910)	(296,259)
Net cash used in financing activities		(295,910)	(296,259)
Net (decrease) / increase in cash and cash equivalents		(3,461,414)	201,301
Cash and cash equivalents at 1 January		3,615,012	3,413,711
Cash and cash equivalents at 31 December	13	153,598	3,615,012

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements.

VB HOLDINGS LIMITED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



1. CORPORATE INFORMATION

The financial statements of VB Holdings Limited ("the Company") for the year ended 31 December 2020 were authorised for issue in accordance with a resolution of Directors on 29 March 2021.VB Holdings Limited is a public company incorporated and domiciled in the Republic of Fiji.

The principal activity of the Company is described in Note 23.

1.1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Company have been drawn up in accordance with the provisions of the Fiji Companies Act, 2015 and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements have been prepared primarily on the basis of historical cost and except where specifically stated, do not take into account current valuations of non-current assets.

1.2 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

In the process of applying the Company's accounting policies, management has made the following judgment, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

The key assumptions concerning the future and other key sources of estimation uncertainty at balance date, that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Valuation of investment properties

Subsequent to initial recognition, the Company records investment properties at fair value, which reflects market conditions at the reporting date. Fair value measurements involves significant judgment about the amount and timing of cash flows and assumptions of future conditions, transactions or events whose outcome is uncertain and would be subject to changes over time. The valuation of the investment property represents a significant judgment area and is a significant percentage of the total assets of the Company. The valuation of the investment property is highly dependent on forecasts and estimates. The Company policy is that property valuations are performed by external experts at least once a year. Amongst other matters, these valuations are based on assumptions such as forecast rental revenues, occpancy rates, estimated capitalisation rates, net sales rate and replacement value less of depreciation and obsolescence rates.

The Company records all other property, plant and equipment at cost less depreciation with nil residual value. Depreciation is calculated on a straight-line basis and the estimation of assets useful life is based on experience of the entity with similar assets.

The key assumptions used to determine the fair value of the properties are provided in Notes 1.3(f), 7 and 8.

VB HOLDINGS LIMITED NOTES TO THE FINANCIAL STATEMENTS (Continued)



FOR THE YEAR ENDED 31 DECEMBER 2020

1.2 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (Continued)

Classification of Leases

As detailed in Note 1.3 (j), the Company enters into leases in the ordinary course of business as lessor and lessee. The classification of leases between operating lease and finance lease is dependent upon the extent to which the lease transfers the risk and reward incidental to ownership of an underlying asset.

Provision for expected credit losses of trade receivables and contract asset

The Company uses a provision matrix to calculate Estimated Credit Loss (ECL) for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 19(b).

1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Functional and presentation currency

The financial statements are presented in Fijian dollars ("FJD"), which is the Company's functional currency. Except as indicated, financial information presented in FJD has been rounded to the nearest dollar.

(b) Foreign currencies

Foreign currency transactions during the year are translated to Fijian dollars at rates ruling at the date of transaction. Assets and liabilities in foreign currencies at year end are translated to Fijian dollars at rates ruling at balance date. Gains and losses (realised and unrealised) are brought to account in profit or loss.

(c) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a service to a customer.

Revenue type	Nature, timing of satisfaction of performance obligations and significant payment terms
Rental Income - Property	This relates to rental income from leasing of properties. Customers are required to pay two months deposit in advance before they start occupying rental property. The rent levels are based on the rental space that the customer wants to occupy and by negotiations with tenants. Arrangements are covered by contracts. Revenue is recognised on a straight-line basis over the relevant lease term. A fixed amount of property rental is billed every month. The payment term is 30 days.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020



1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Revenue recognition (Continued)

Revenue type	Nature, timing of satisfaction of performance obligations and significant payment terms
Rental Income - Operating Lease	This relates to rental income from operating lease of motor vehicles. Customers are required to pay two months deposit in advance before they take possession of vehicles under lease. The price of rental is based on interest rate agreed with customer, which ranges from 5%-9%, and each arrangement is covered by a contract.
	Revenue is recognised on a straight-line basis over the relevant lease term. A fixed amount of operating lease rental is billed every month based on the agreed price. The payment term is 30 days.
Interest Income	This relates to interest income on finance leases. Customers are required to pay two months interest income deposit in advance before they take possession of ve- hicles under lease. The price is based on interest rate agreed with customer.
	Interest is recognised on an accrual basis using the nominal interest basis and is included within the finance lease. A fixed amount of lease payments is billed every month based on the agreed price. The payment term is 30 days.
Maintenance Income	This relates to income in relation to servicing and maintenance services provided for vehicles on operating and finance leases. Customers are required to pay two months maintenance income deposit in advance before they take possession of vehicle under the lease. The price depends on the vehicle the customer is leasing. Arrangements are covered by contracts.
	Revenue is recognised on a straight-line basis over the relevant lease term. A fixed amount of maintenance income is billed every month based on the agreed price. The payment term is 30 days.
Insurance Income	This relates to insurance cover arranged and put in place on vehicles leased under operating and finance leases arrangements. Customers are required to pay two months insurance income deposit in advance before they take possession of vehicles under lease. The price depends on the insurance policy on the vehicle on lease.
	Revenue is recognised on a straight line basis over the relevant lease term. A fixed amount of insurance income is billed every month based on the agreed price. The payment term is 30 days.

(d) Expense recognition

All expenses are recognised in profit or loss on an accrual basis.

(e) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short term liquid investments net of any bank overdraft. Bank overdrafts are classified as borrowings under current liabilities on the statement of financial position.

VB HOLDINGS LIMITED NOTES TO THE FINANCIAL STATEMENTS (Continued)



FOR THE YEAR ENDED 31 DECEMBER 2020

1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Plant and equipment

Owned assets (including operating lease assets)

Items of plant and equipment are stated at cost less depreciation and impairment losses. Assets that are being constructed or developed for future use are classified as work in progress under plant and equipment and stated at cost until construction or development is complete. Gains and losses on disposal of plant and equipment are taken into account in the statement of comprehensive income. Where an item of plant and equipment comprises major components having different useful lives, they are accounted for as separate items of plant and equipment.

Subsequent expenditure

Expenditure incurred to replace a component of an item of plant and equipment that is accounted for separately, including major improvements, renovations and overhaul expenditure, is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of plant and equipment. All other expenditure is recognised in the statement of comprehensive income as an expense as incurred.

Depreciation

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of items of plant and equipment. The depreciation rates used for each class of asset are as follows:

Furniture and fittings	10%
Motor vehicles	20%
LMS software	20%

(g)Trade and other receivables

Trade receivables are carried at original invoice amount less allowances made for impairment. Other receivables are recognised and carried at cost less any impairment loss.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, significant difficulties of the debtor and default or delinquency in payments.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(h) Financial instruments

Financial assets

(i) 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020



1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial instruments (Continued)

Financial assets (Continued)

(i) Classification (Continued)

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, trade and other receivables and term deposits.

(ii) 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 derecognition, foreign exchange gains/(losses) and impairment losses are recognised in profit or loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses 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.

Financial liabilities

i) Classification and subsequent measurement

In both the current and prior period, financial liabilities are classified as subsequently measured at amortised cost, except for:

- Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer. In sub-sequent periods, the Company recognises any expense incurred on the financial liability; and
- Financial guarantee contracts and loan commitments.



NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial instruments (Continued)

Financial liabilities (Continued)

(ii) Derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(i) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it related to items recognised directly in equity, in which case the item is recognised in equity.

Current tax is the expected tax payable on taxable income for the year using tax rates enacted or substantively enacted at the reporting date and any adjustments to tax payable in respect of prior years. Deferred tax is recognised using the balance sheet method providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary difference when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred 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.

(j) Leases

A lease is classified as a finance lease if it transfers substantially all the risk and rewards incidental to ownership of the leased asset. Otherwise it is classified as an operating lease. Where the lease is a finance lease or an operating lease depends on the substance of the transaction rather than the form of the contract otherwise it is classified as form of the contract.

(i) Finance leases - Company as lessee

Assets acquired under finance lease, which the Company then leases to other parties as operating leases, are capitalised. The initial amount of the leased asset and corresponding lease liability are recorded at the present value of minimum lease payments. Leased assets are amortised over the life of the relevant lease or, where it is likely the Company will obtain ownership of the asset on expiration of the lease, the expected useful life of the asset. Assets acquired under finance leases which the Company re-leases on finance leases to customers are treated as finance lease receivables (refer (ii) below). Lease liabilities are reduced by the principal component of lease payments. The interest component is included in operating results.

The Company does not have finance lease liabilities during the year (2019: \$Nil)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020



1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Leases (Continued)

(ii) Finance leases - Company as a lessor

Amounts due from lessees under finance lease are recorded as receivables at the amount of Company's net investment in the lease. Finance lease receipts are allocated between interest revenue and reduction of the lease receivable over the term of the lease in order to reflect a constant periodic return on the net investments outstanding in respect of the lease. The leased asset is derecognised at the time the finance lease becomes effective.

Amounts due from lessees under finance leases and operating leases for maintenance charges are allocated over the term during which services are provided. Maintenance services are subcontracted to a related entity.

(iii) Operating leases - Company as a lessor

Rental and maintenance income from operating leases is recognised as described in Note 1.3 (c). Maintenance expense are recognised on the same basis as maintenance income. Leased assets are depreciated over the expected useful life of the asset. The leased assets are included within plant and equipment.

(k) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Trade and other payables are stated at cost (inclusive of VAT where applicable).

(I) Investment properties

Investment property is held to earn rentals or for capital appreciation rather than for own use or sale in the ordinary course of business.

Investment properties were measured initially at cost, including transactions costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from the changes in the fair values of investment properties are included in profit or loss in the period in which they arise. Fair values are evaluated annually by an accredited external, independent valuer, applying a valuation method recommended by the International Valuation Standards.

Investment properties are derecognised when either they have been disposed or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to and from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change.

m) Impairment of assets

The carrying amounts of the Company's assets are reviewed at balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.





FOR THE VEAR ENDED 31 DECEMBER 2020

FOR THE YEAR ENDED 31 DECEMBER 2020

1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(o) Dividend distribution

Dividends paid during the year are subject to the provisions of the Fiji Income Tax Act. Dividends are recorded in the Company's financial statements in the period in which they are declared by the Directors.

(p) Earnings per share

Basic earnings per share is determined by dividing profit after income tax attributable to shareholders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year.

Where the Company has on issue outstanding potential ordinary shares which are dilutive, diluted EPS is calculated. Diluted EPS is the same as the basic EPS for the Company as there are no ordinary shares which are considered dilutive.

(q) Segment information

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segment. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments. The Company operates predominantly within one geographical segment, that is, Fiji. For reporting purposes, the Company considers itself to be operating in two business segments as follows:

Fleet management - leasing out vehicles under finance and operating lease arrangements. Property management - leasing out rental space to tenants.

(r) Comparatives

Where necessary, comparative information has been re-classified to achieve consistency in disclosure with current financial year amounts.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

1.4 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards and interpretations

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

(a) Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 *Business Combinations* clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the financial statements of the Company, but may impact future periods should the Company enter into any business combinations.

(b) Amendments to IFRS 7, IFRS 9 and IAS 39 Interest Rate Benchmark Reform

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/ or amount of benchmark -based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Company as it does not have any interest rate hedge relationships.

(c) Amendments to IAS 1 and IAS 8 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Company.

(d) Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the financial statements of the Company.





VB HOLDINGS LIMITED NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

1.4 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

New and amended standards and interpretations (continued)

(e) Amendments to IFRS 16 Covid-19 Related Rent Concessions

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases . The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the financial statements of the Company.

1.5 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 *Insurance Contracts* (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 *Insurance Contracts* (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Company.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020



1.5 STANDARDS ISSUED BUT NOT YET EFFECTIVE (Continued)

Amendments to IAS 1: Classification of Liabilities as Current or Non-current (Continued)

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Company has yet to assess the impact the amendments may have on current practice and whether existing loan agreements may require renegotiation.

Reference to the Conceptual Framework – Amendments to IFRS 3

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework . The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The amendments are not expected to have a material impact on the Company.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.



VB HOLDINGS LIMITED NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

1.5 STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or ex changed on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendments are not expected to have a material impact on the Company.

2.	Revenue	2020	2019
		(\$)	(\$)
(a)	Operating revenue		
	Rental income - operating lease	1,012,916	2,212,346
	Maintenance income - operating lease	183,740	509,476
	Rental income - property	290,633	335,069
	Interest income - finance lease	400,459	331,299
	Maintenance income - finance lease	9,178	5,743
	Insurance income	49,969	71,593
		1,946,895	3,465,526
(b)	All revenue types in the table above are recognised over time.		
()	Gain on disposal of motor vehicles	1,548,515	732,483
	Interest income	150,773	127,640
	Sundry income	16,492	
		1,715,780	860,123
3.	Expenses	(\$)	(\$)
(a)	Operating expenses		
	Management fees	180,000	108,000
	Maintenance expense - operating lease	175,601 101,269	441,566 191,967
	Other operating expenses	456,870	741,533
			,

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020



3. EXPENSES (CONTINUED)	2020	2019
(b) <u>Administrative expenses</u>	(\$)	(\$)
Auditors remuneration - audit services	12,000	20,253
- other services	2,000	2,000
Bank charges	2,158	1,687
Corporate donation	16,065	14,861
Directors' fees	25,000	30,083
Managing director's remuneration	5,000	5,000
Other administrative expenses	11,611	6,656
Travelling expense	-	7,140
Share registry maintenance fees	2,673	3,419
Stamp duty charges	-	18,084
	76,507	109,183
4. INCOME TAX		

A reconciliation between tax expense and the product of accounting profit multiplied by the tax rate for the years ended 31 December 2020 and 31 December 2019 is as follows: (\$)

	(4)	(Ψ)
Accounting profit before income tax	1,604,645	1,832,697
At statutory income tax rate of 10%	160,465	183,270
Tax effect of permanent differences	(2,758)	-
Under provision from prior years	106,774	30,983
Restatement of deferred tax liability	(59,725)	
Income tax attributable to operating profit	204,756	214,253
The major components of income tax expense are:		
Current tax	128,161	177,987
Under provision from prior year	106,774	30,983
Temporary differences	(30,179)	5,283
	204,756	214,253
Deferred income tax assets/(liabilities)		
Net deferred income tax at 31 December relates to the following:		
Allowance for doubtful debts	56,060	41,581
Cyclone reserve account	(50,805)	(42,320)
Accelerated depreciation for tax purposes	(695,725)	(719,911)
	(690,470)	(720,650)
Represented on the statement of financial position:		
Deferred tax asset	56,060	41,581
Deferred tax liability	(746,530)	(762,231)
Net deferred tax liability	(690,470)	(720,650)



NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

(a) Debt instruments Term deposits Westpac Banking Corporation - cyclone reserve account Bred Bank (\$) (\$) (\$) (\$) (\$) (\$) (\$) (\$) (\$) (\$)	5. FINANCIAL ASSETS	2020	2019
Westpac Banking Corporation - cyclone reserve account508,046423,202Bred Bank1,000,000-	(a) Debt instruments	(\$)	(\$)
Bred Bank 1,000,000 -		508 046	402 000
			,
	Bred Bank	<u> </u>	

The term of the investment is for 12 months at a variable interest rate ranging from 2.80% to 3.25%.

6. TRADE AND OTHER RECEIVABLES

(a) Current	(\$)	(\$)
Lease receivables	2,785,849	3,384,560
Less: Unearned interest on finance lease receivables	(315,719)	(429,367)
Less: Unearned insurance on finance lease receivables	(17,898)	(15,254)
Less: Unearned maintenance charges on finance lease receivables	(7,616)	(5,743)
Net lease receivables	2,444,616	2,934,196
Deposit - Bidesi property	270,917	3,034
Interest receivable	60,716	29,001
Prepayments	19,481	-
Receivable from Niranjans Autoport Pte Limited [Note 18 (c)]	3,000,000	-
Less: Allowance for impairment losses [Note 19 (b)]	(448,252)	(351,344)
Trade and other receivables- current	5,347,478	2,614,887
 (b) Non-current Lease receivables Less: Unearned interest on finance lease receivables Less: Unearned insurance on finance lease receivables Less: Unearned maintenance charges on finance lease receivables Net lease receivables Less: Allowance for impairment losses [Note 19 (b)] 	2,714,905 (600,298) (34,292) (5,536) 2,074,779 (112,348)	2,991,019 (799,513) (33,498) (9,093) 2,148,915 (64,467)
Trade and other receivables- non current	1,962,431	2,084,448
Total trade and other receivables	7,309,909	4,699,335

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020



7. PLANT AND EQUIPMENT	2020	2019
Furniture, fittings and office equipment Cost:	(\$)	(\$)
As at 1 January Additions	26,972	18,486 8,486
As at 31 December	26,972	26,972
Accumulated depreciation:		
As at 1 January	15,901	15,818 83
Depreciation charge for the year	1,714 17,615	15,901
As at 31 December	9,357	
Net book value - furniture and fittings	9,357	11,071
LMS software Cost:		
As at 1 January	46,550	46,550
As at 31 December	46,550	46,550
Accumulated depresiation:		
Accumulated depreciation: As at 1 January	27,930	18,620
Depreciation charge for the year	9,310	9,310
As at 31 December	37,240	27,930
Net book value - LMS Software	9,310	18,620
Motor vehicles under operating leases		
Cost: As at 1 January	13,606,736	14,577,764
Additions	2,563,229	1,365,581
Disposal	(5,204,868)	(2,336,609)
As at 31 December	10,965,097	13,606,736
Accumulated depreciation:		
As at 1 January	10,148,513	10,087,985
Depreciation charge for the year Disposal	1,368,840 (4,880,999)	2,071,773
'		(2,011,245)
As at 31 December	6,636,354	10,148,513
Net book value - motor vehicles	4,328,743	3,458,223
Net book value as at 31 December	4,347,410	3,487,914
8. INVESTMENT PROPERTIES	(\$)	(\$)
Opening balance at 1 January	6,785,001	6,276,739
Fair value adjustment Subsequent adjustment	-	530,000 (21,738)
At 31 December	6,785,001	6,785,001



NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

8. INVESTMENT PROPERTIES (CONTINUED) (\$)	(\$))
Rental income derived from investment properties 29	0,633 33	85,069
Direct operating expenses (included repairs and maintenance)	4,111) (74	4,446)
Net profit arising from investment properties 28	6,522 26	60,623

The properties were valued at 31 December, 2020 based on the reports by an independent valuer (Pacific Valuations Pte Limited) using a market approach, applying the comparable sales method resulting in \$Nil increase in the value attached to the Company's investment properties (2019: \$530,000). Independent valuers are of the view that the fair value of the property has not changed due to no comparable market data available. Also, there is no fixed rate or assessment for the impact of Covid-19 and no concrete evidence of reduction or probable impairment of investment properties in Suva area. Due to the lack of active market information the experts are of the view that the property fair values will not change. The Directors have adopted the valuation reports and are of the view that the carrying amounts recorded approximate the fair values of the properties as at 31 December 2020. The valuations are based on Level 3 inputs. The valuer based its assessment on comparable sales information obtained from market sources around land sale rates per square metre and building sale rates per square metre in the same comparable locations. Land rates of \$1,037-\$2,780 per square metre and building rates of \$744- \$2,985 per square metre have been used.

Covid-19 relief was offered on property rental and car park fees of 20 percent ranging from three to six months from April 2020. The Company has thereafter charged normal property rental and car park fees to the tenants as per the agreements.

9. TRADE AND OTHER PAYABLES	(\$)	(\$)
Amounts owing to related parties [Note 18(b)]	261,665	284,035
Rental deposits	45,916	48,420
Lease deposits	671,086	613,729
Other payables and accruals	19,271	142,035
	997,938	1,088,219
10. DIVIDENDS PAYABLE	(\$)	(\$)
As at 1 January	64,517	61,540
Dividends declared	299,236	299,236
Dividends paid	(295,910)	(296,259)
As at 31 December	67,843	64,517

The Company paid dividends of \$295,910 in 2020 (\$296,259 in 2019) and the accumulated amount of \$67,843 as at 31 December 2020 (\$64,517 as of 31 December 2019) were unclaimed.

11. EARNINGS PER SHARE	(\$)	(\$)
Net profit for the year	1,399,889	1,618,444
Number of equity shares outstanding	2,137,403	2,137,403
Basic and diluted earnings per share	0.65	0.76

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020



12. SHARE CAPITAL	2020 (\$)	2019 (\$)
Issued and paid up capital		
Westpac Banking Corporation - cyclone reserve account		
2,137,403 ordinary shares	3,688,527	3,688,527

The share premium reserve amounting to \$1,534,176 and the forfeited shares amounting to \$16,948 were transferred under the share capital in 2017 as per the Companies Act 2015.

13. CASH AND CASH EQUIVALENTS

	(\$)	(\$)
Cash and cash equivalents consist of balances as follows:		
Westpac Banking Corporation	153,461	113,345
Bank of Baroda	137	1,667
Bred Bank (term deposit)	-	3,500,000
Total cash and cash equivalents	153,598	3,615,012

The Company has an overdraft facility with Westpac Banking Corporation of \$100,000 subject to an interest rate of 4.50% per annum which is secured by the following:

i) Registered mortgage debenture by the Company over all its Assets and Undertakings including uncalled and called but unpaid capital.

(\$)

(\$)

ii) Registered first all monies mortgage No. 44668 by the Company over Suva, Fiji - Corner of Stewart Street and Waimanu Road CT No. 2477.

14. FUTURE OPERATING LEASE RENTALS

The Company has provided properties and motor vehicles under operating leases to customers on normal commercial terms and conditions on monthly rentals.

Operating lease rentals are expected as follows:

Not later than 2020	-	1,179,032
Not later than 2021	2,266,473	537,097
Not later than 2022	735,748	363,689
Not later than 2023	495,250	134,129
Not later than 2024	569,965	8,128
Not later than 2025 and later years	110,438	
	4,177,874	2,222,075

Operating leases - Company as lessor

The Company acts as lessor of properties and motor vehicles. These leases have an average life between 1 and 5 years with certain contracts having a renewal option included in the contracts. There are no restrictions placed upon the lessee by entering into leases for properties. For motor vehicle under operating lease, variable lease payments are charged to customers when the respective millage limit has exceeded. Rental income recognised by the Company during the year is disclosed in Note 8, whereas rental income for the year from properties is disclosed in Note 2(a).



NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

15. FUTURE LEASE RECEIVABLES	2020 (\$)	2019 (\$)
Lease expenditure contracted for motor vehicle receivables are as follows:		
Not later than 2020	-	2,023,419
Not later than 2021	1,613,670	1,216,384
Not later than 2022	1,755,896	997,815
Not later than 2023	684,670	622,383
Not later than 2024	192.834	146.435
Not later than 2025 and later years	81,505	-
	4,328,575	5,006,436
Less: Unearned interest on finance income and maintenance charges	(981,359)	(1,292,468)
Net lease receivables	3,347,216	3,713,968

16. CONTINGENT LIABILITIES

There were no contingent liabilities as at 31 December 2020 (2019: \$Nil).

17. SEGMENT INFORMATION

(a) Secondary reporting - geographical segment

The Company operates in the geographical segment of Fiji.

(b) Primary reporting - business segments 2020

	Fleet management \$	Property management \$	Total \$
Operating revenue Other revenue	1,656,262 1,715,780 3,372,042	290,633 - 290,633	1,946,895 1,715,780 3,662,675
Segment result before income tax and finance	1,318,123	286,522	1,604,645
Profit before income tax expense	1,318,123	286,522	1,604,645
Income tax expense	(176,104)	(28,652)	(204,756)
Net profit	1,142,019	257,870	1,399,889
Segment assets Segment liabilities	13,375,023 1,855,381	6,785,001 	20,160,024 1,855,381
Acquisition of plant and equipment Depreciation expense	2,563,229 1,379,864	<u> </u>	2,563,229 1,379,864
Net cash flows from operating activities	1,267,471	257,870	1,525,341

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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17. SEGMENT INFORMATION (CONTINUED)

(b) Primary reporting - business segments 2019	Fleet management \$	Property management \$	Total \$
Operating revenue Other revenue	3,130,457 <u>860,123</u> 3,990,580	335,069 	3,465,526 860,123 4,325,649
Segment result before income tax and finance	1,042,074	260,623	1,302,697
Change in fair value of investment property		530,000	530,000
Profit before income tax expense	1,042,074	790,623	1,832,697
Income tax expense	(135,191)	(79,062)	(214,253)
Net profit	<u>906,883</u>	711,561	1,618,444
Segment assets	12,292,375	6,785,001	19,077,376
Segment liabilities	1,873,585	_	1,873,585
Acquisition of plant and equipment	1,365,581	-	1,365,581
Depreciation expense	2,081,165		2,081,165
Net cash flows from operating activities	1,508,933	304,252	1,813,185

18. RELATED PARTY TRANSACTIONS

(a) Directors

The names of persons who were Directors of VB Holdings Limited at any time during the financial year were as follows:

Narayan Singh Niranjan	Devanesh Sharma
Nitish Singh Niranjan	Ratnesh Singh
Jinita Prasad	Sundar Masih Sukhu - (Deceased 28th January 2020)

Key Management Personnel

Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly, including any director (whether executive or otherwise) of that entity. These personnel were not paid by the Company. However, management fees were paid to a related entity which pays remuneration for them.

During the year the following persons were identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling the activities of the Company:

Name

Devanesh Sharma Sundar Masih Sukhu Nitish Singh Niranjan

Current title

Chairman Former Chairman (Deceased 28th January 2020) Chief Executive Officer / Company Secretary



NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

18. RELATED PARTY TRANSACTIONS (CONTINUED)	2020 (\$)	2019 (\$)
(a) Directors (Continued)		
The values of transactions with related parties were as follows:		
Directors' fees	25,000	30,083
Managing Director's remuneration	5,000	5,000
(b) Amounts payable to related companies	(\$)	(\$)
Net owing to related companies		
Niranjan Autoport Pte Limited	261,665	284,035
(c) Amounts receivable from related companies	(\$)	(\$)
Net owing by related companies		
Jans Rental Cars Pte Limited	163,697	271,865
Niranjan Motor Corporation Pte Limited	6,000	6,000
Niranjan Autoport Pte Limited	81,633	60,884
Niranjan Hireplant Pte Limited	194,442	269,902
Advance Niranjan Autoport Pte Limited - Current	3,000,000	

VB Holdings Limited has given an advance of \$3,000,000 to Niranjan Autoport Pte Limited at 3.25% per annum (2019 - Nil) for a term of twelve months.

(d) Transactions with related parties

All transactions disclosed in the financial statements with related parties during the year were:

Related party	Transaction type	(\$)	(\$)
Income:			
Jans Rental Cars Pte Limited	Operating lease income	1,328,471	1,417,261
Jans Rental Cars Pte Limited	Sale of motor vehicles	71,079	-
Niranjan Hireplant Pte Limited	Finance leas e income	66,516	27,395
Niranjan Motor Corporation Pte Limited	Rental income	66,000	5,505
Niranjan Autoport Pte Limited	Sale of motor vehicles	2,665,233	1,033,077
Expenses Niranjan Autoport Pte Limited Niranjan Autoport Pte Limited Capital expenditure	Management fees Maintenance expense - operating lease	180,000 175,601	108,000 441,566
Niranjan Autoport Pte Limited	Motor vehicle purchases - operating lease	3,195,733	2,351,150

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020



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2020

18. RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Transactions with related parties (Continued)	parties (Continu	ed)
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Related party	Transaction type	(\$)	(\$)
Finance lease			
Niranjan Autoport Pte Limited	Motor vehicle purchases - finance lease	2,741,823	1,365,581
Advance			
Niranjan Autoport Pte Limited	Cash advance	3,000,000	-
<u>Deposits</u>			
Jans Rental Cars Pte Limited	Lease deposit	7,018	7,440

19. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on financial performance.

Risk management is carried out by the Managing Director of the Company. The Managing Director identifies, and evaluates financial risks in close co-operation with the Company's operating units. The Board of Directors provides direction for overall risk management covering specific areas, such as mitigating credit risks, and investment of excess liquidity.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk

Interest rates on financial assets and liabilities are fixed over the terms of the relevant contracts, thereby minimising the risk of mis-matches in interest rates. At the reporting date, the interest rate profile of the Company's interest bearing financial instruments carrying amounts were:

	2020 (\$)	2019 (\$)
Fixed rate instruments Financial assets	508,046	3,923,202





NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

19. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (Continued)

(i) Interest rate risk (Continued)

The following sensitivity analysis is based on the interest risk exposures, if any, in existence at balance date:

	Increase/ (decrease) in interest rate	Effect on profit before tax
2020	+100 bp -100 bp	1,605 (1,605)
2019	+100 bp -100 bp	4,009 (4,009)

(ii) Cash flow and fair value interest rate risk

The Company has no significant variable interest assets or liabilities. Therefore the Company's income and operating cash flows are substantially independent of changes in the market interest rates at reporting date.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's operating and finance lease receivables, other receivables and cash and cash equivalents which are measured at amortised cost.

The carrying amount of financial assets represents the maximum credit exposure.

The Company has no significant concentrations of credit risk relating to finance and operating lease receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Credit levels accorded to customers are regularly reviewed to reduce the exposure to risk of bad debts.

Operating leases

There are no restrictions placed upon the lessee by entering into leases for properties. For motor vehicle under operating lease, variable lease payments are charged to customers when the respective milleage limit has exceeded.

The Company applies the IFRS 9 simplified approach to measure expected credit losses for operating and finance lease receivables and other receivables.

To measure the expected credit losses, operating and financial lease receivables and other receivables have been grouped based on shared risk characteristics and the days past due. The Company uses the 'net flow rate' model based on the probability of lease and other receivables following the movement of cash outstanding from payment status of current through all delinquency buckets until write off. Loss rates are based on historical credit losses experienced within this year. These rates are then adjusted to reflect current and forward looking information based on macroeconomic factors and the Company's internal evaluation of trade receivables over their expected lives.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

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19. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

The following table provides analysis about the exposure to credit risk and expected credit losses for trade receivables as at 31 December 2019:

a	Expected weighted verage loss rate	Gross carrying amount	Loss allowance
Current portion of trade receivables Accounts collectively assessed Current portion of long-term receivables Other trade receivables	3.0%	1,573,056	47,192
Current	6.7%	444,987	29,704
1 to 30 days past due	13.6%	241,934	32,813
31 to 60 days past due	22.4%	68,644	15,371
61 to 90 days past due	30.0%	72,151	21,645
More than 90 days past due	60.0%	105,058	63,035
		2,505,830	209,760
Accounts individually assessed		428,366	141,584
Total		2,934,196	351,344
Non-current portion of trade receivables	3.0%	2,148,915	64,467

The following table provides analysis about the exposure to credit risk and expected credit losses for trade receivables as at 31 December 2020:

_	Expected weighted average loss rate	Gross carrying amount	Loss allowance
Current portion of trade receivables Accounts collectively assessed Current portion of long-term receivables Other trade receivables	5.4%	1,272,437	68,902
Current 1 to 30 days past due 31 to 60 days past due 61 to 90 days past due More than 90 days past due	4.6% 9.0% 14.7% 20.0% 40.0%	288,905 143,891 97,680 57,013 258,870	13,338 12,883 14,336 11,403
Accounts individually assessed Total		2,118,796 325,820 2,444,616	224,410 223,842 448,252
Non-current portion of trade receivables	5.4%	2,074,779	112,348



FOR THE YEAR ENDED 31 DECEMBER 2020

19. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Movement in allowance for impairment losses on trade receivables:

	\$ Non-current	\$ Current	\$ Total
Balance at 1 January 2019	71,863	252,877	324,740
(Reversal of impairment)/Impairment losses	(7,396)	98,467	91,071
Balance at 31 December 2019	64,467	351,344	415,811
Impairment losses recognised during the year	47,881	96,908	144,789
Balance at 31 December 2020	112,348	448,252	560,600

While cash and cash equivalents, other receivables and term deposits are also subject to impairment requirements of IFRS 9, any impairment loss is deemed immaterial, due to their short term nature and history of no default.

The assessment of trade debtors' provisioning was done by the Company based on the IFRS 9 model and on historical assessment of the Company's debt collection. There is a contractual agreement made between the Company and the customer which is signed by both parties stating the terms of the contract. The Company has full rights over the assets (motor vehicle being financed) that are leased under both operating and finance lease arrangements, thus in case of default of payment by the customer or the customer failing to meet the terms of the contract, the Company has full right to repossess the vehicle from the customer or take legal action in circumstances whereby the customer fails to meet all terms stated in the contractual agreement. The management is confident on the recoverability of both the current and long term debtors irrespective of the external economic challenges and thus ample provisions have been made on this on the IFRS 9 model.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. 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 table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

2020	Less than 3 months \$	Between 3 months and 1 year \$	Total \$
Trade and other payables (Note 9)	65,187	932,751	997,938
Dividend payable (Note 10)	-	67,843	67,843
Total	65,187	1 ,000,594	1,065,781
2019			
Trade and other payables (Note 9)	343,895	744,323	1,088,218
Dividend payable (Note 10)	-	64,517	64,517
Total	343,895	808,840	1,152,735

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

20. CAPITAL RISK MANAGEMENT



The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide return to shareholders and benefit to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell asset to reduce debt. The Company has a number of financial covenants to comply with as part of the terms of its borrowings. The financial covenants are managed as part of the companies capital management. The Company has compiled with all its externally imposed financial requirements.

The Company monitors capital on the basis of its gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total interest bearing borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the Company's statement of financial position plus net debt.

	2020	2019
Interest-bearing borrowings	-	-
Less cash and cash equivalents (Note 13)	(153,598)	(3,615,012)
Less: Financial assets - term deposits (Note 5)	(1,508,046)	(423,202)
Net debt	(1,661,644)	(4,038,214)
Equity	18,304,643	17,203,990
Net debts plus	16,642,999	13,165,776
Gearing ratio	10%	31%

21. CAPITAL COMMITMENTS

VB Holdings Limited has a capital commitment of \$2,475,000 (2019: \$Nil) for the purchase of Bidesi commercial property in the next 12 months. 10% advance payment of \$275,000 (2019: \$Nil) has been processed as per the agreement.

22. SIGNIFICANT EVENTS DURING THE YEAR

The former Chairman of the Company Mr Sundar Masih Sukhu passed away on the 28th of January 2020. The Directors had an Extraordinary General Meeting (EGM) to appoint the Chairman of VB Holdings Limited. Mr Devanesh Sharma was appointed as the Chairman of VB Holdings Limited effective from 17 March 2020.

The Board of Directors had evaluated options to invest the excess funds of VB Holdings Limited and had successfully won the tender for the Bidesi commercial property. The acquisition process for this property is still in progress.

The COVID-19 outbreak was declared a pandemic by the World Health Organisation in March 2020. The Company has remained operational since this declaration and continues to engage in the leasing of motor vehicles and rental properties to its customers. We have not seen a significant impact on our business to date. The outbreak and the response of Governments in dealing with the pandemic is interfering with general activity levels within the community, the economy and the operations of our business. The scale and duration of these developments remain uncertain as at the date of this report however they are having an impact on our earnings, cash flow and financial condition. The Directors confirm that they considered all currently known impacts of COVID-19 when preparing the financial statements and applying the going concern concept.

VB HOLDINGS LIMITED NOTES TO THE FINANCIAL STATEMENTS (Continued)



FOR THE YEAR ENDED 31 DECEMBER 2020

22. SIGNIFICANT EVENTS DURING THE YEAR (CONTINUED)

Apart from the matters specifically referred to above, no transaction or event of a material and unusual nature likely, in the opinion of the Directors, has arisen, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

23. PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year were that of property investment and fleet management services including financing of vehicles sold by related parties. There were no significant changes in the nature of these activities during the financial year.

24. COMPANY DETAILS

Company incorporation

The Company is a public company domiciled and incorporated in Fiji under the Companies Act, 2015. The Company's shares are traded on the South Pacific Stock Exchange, Suva.

Registered office and principal place of business

The registered office of the Company is located at: 366 Grantham Road Suva, Fiji.

Number of employees

There were no employees employed by the Company during the year (2019: Nil).

25. SUBSEQUENT EVENTS

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

VB HOLDINGS LIMITED DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2020



Disclaimer on Additional Financial Information

The following additional information, being the Detailed Income Statement and South Pacific Exchange disclosure requirements have been compiled by the management of VB Holdings Limited and does not form part of the statutory financial statements.

To the extent permitted by law, Ernst & Young does not accept liability for any loss or damage which any person, other than VB Holdings Limited may suffer arising from any negligence on our party. No person should rely on the additional financial information without having an audit or review conducted.

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

INCOME (v) (v) (v) Gain on disposal of property, plant and equipment 1,548,515 732,483 Interest income - finance lease 400,459 331,299 Maintenance income - operating lease 9,178 5,743 Maintenance income - operating lease 183,740 509,476 Operating lease rental 1,012,916 2,212,352 Rental income 290,633 335,063 Other income 66,461 71,592 J.662,675 4,325,648 2 EXPENSES 4udit fees 14,000 22,253 Impairment loss on trade receivables 144,789 91,071 Bank charges 2,158 1,867 Corporate donation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurace 55,680 78,604 Light and power 694 1,250 Light and power 64,496 6,656 Maintenance fleet expense - operating lease 175,601		2020 (\$)	2019 (\$)
Gain on disposal of property, plant and equipment 1,548,515 732,483 Interest Income 150,773 127,640 Interest income - finance lease 400,459 331,299 Maintenance income - finance lease 9,178 5,743 Maintenance income - operating lease 183,740 509,476 Operating lease rental 1,012,916 2,212,352 Rental income 290,633 335,063 Other income 66,461 71,592 Jacceptone 66,461 71,592 Audit fees 14,000 22,253 Impairment loss on trade receivables 144,789 91,071 Bark charges 2,158 1,687 Corporate donation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 694 1,250 Light and power 694 1,250 Light and power 6,496 6,556 Managemen	INCOME	(Φ)	(\$)
Interest Income 150,773 127,640 Interest income - finance lease 400,459 331,299 Maintenance income - operating lease 9,178 5,743 Maintenance income - operating lease 1,012,916 2,212,352 Rental income 290,633 335,063 Other income 66,461 71,592 Audit fees 14,000 22,253 Impairment loss on trade receivables 144,789 91,071 Bank charges 2,158 1,687 Corporate donation 1,60,665 14,861 Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 64 1,250 Light and power 64,496 6,656 Maintenance fees 180,000 108,000 Rease and taxes 22,733 22,608 Repairs and maintenance 4,111 74,446 Share registry main		1,548,515	732,483
Maintenance income - finance lease 9,178 5,743 Maintenance income - operating lease 183,740 509,476 Operating lease rental 1,012,916 2,212,352 Rental income 290,633 335,063 Other income 66,461 71,592 EXPENSES 3,662,675 4,325,648 Audit fees 14,000 22,253 Impairment loss on trade receivables 144,789 91,071 Bank charges 2,158 1,687 Corporate donation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' fees 25,000 30,083 Directors' remuneration 5,060 78,504 Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 18,000 18,000 18,000 Rates and taxes 22,733 22,608 3,022,951 Stamp duty charges - 7,140			127,640
Maintenance income - operating lease 183,740 509,476 Operating lease rental 1,012,916 2,212,352 Rental income 290,633 335,063 Other income 66,461 71,592 3,662,675 4,325,648 EXPENSES 4,000 22,253 Impairment loss on trade receivables 144,789 91,071 Bank charges 2,158 1,687 Corporate donation 16,065 14,861 Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 6494 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 108,000 Repairs and maintenance 4,111 74,446 Share registry maintenance fees 2,673 3,419 Stamp duty charges - 7,140 3,022,951 <tr< td=""><td>Interest income - finance lease</td><td>400,459</td><td>331,299</td></tr<>	Interest income - finance lease	400,459	331,299
Operating lease rental 1,012,916 2,212,352 Rental income 290,633 335,063 Other income 66,461 71,592 3,662,675 4,325,648 EXPENSES 4,325,648 Audit fees 14,000 22,253 Impairment loss on trade receivables 144,789 91,071 Bank charges 2,158 1,687 Corporate donation 16,065 14,861 Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 644 1,250 Light and power 644 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 2,673 3,419 Stamp duty charges - 7,140 Sundry 23,166 15,158 Profit from operations	Maintenance income - finance lease	9,178	5,743
Rental income 290,633 335,063 Other income 66,461 71,592 3,662,675 4,325,648 EXPENSES 3,662,675 4,325,648 Audit fees 14,000 22,253 Impairment loss on trade receivables 144,789 91,071 Bank charges 2,158 1,687 Corporate donation 16,065 14,861 Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Repairs and maintenance 2,673 3,419 Stamp duty charges - 7,140 Sundry 2,3166 15,158 Profit from operations 1,604,645 1,302,697	Maintenance income - operating lease	183,740	509,476
Other income 66,461 71,592 3,662,675 4,325,648 Audit fees 14,000 22,253 Impairment loss on trade receivables 144,789 91,071 Bank charges 2,158 1,687 Corporate donation 16,065 14,861 Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' fees 25,000 30,083 Directors' fees 25,000 30,083 Directors' fees 694 1,250 Light and power 694 1,250 Light and power 694 1,250 Listing fees 6,496 6,656 Management fees 180,000 108,000 Rates and taxes 22,733 22,608 Repairs and maintenance 4,111 74,446 Share registry maintenance fees 2,673 3,419 Stamp duty charges - 7,140 Sundry 23,166 15,158 Profit from operations </td <td>Operating lease rental</td> <td>1,012,916</td> <td>2,212,352</td>	Operating lease rental	1,012,916	2,212,352
EXPENSES Audit fees 14,000 22,253 Impairment loss on trade receivables 144,789 91,071 Bank charges 2,158 1,687 Corporate donation 16,065 14,861 Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Rates and taxes 22,733 22,608 Repairs and maintenance 4,111 74,446 Share registry maintenance fees 2,673 3,419 Stamp duty charges - 7,140 Sundry 23,166 15,158 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000	Rental income	290,633	335,063
EXPENSESAudit fees14,00022,253Impairment loss on trade receivables144,78991,071Bank charges2,1581,687Corporate donation16,06514,861Depreciation and amortisation1,379,8642,081,165Directors' fees25,00030,083Directors' remuneration5,0005,000Insurance55,68078,504Light and power6941,250Listing fees6,4966,656Maintenance fleet expense - operating lease175,601441,566Management fees180,000108,000Rates and taxes22,73322,608Repairs and maintenance4,11174,446Share registry maintenance flees2,6733,419Stamp duty charges-7,140Sundry23,16615,158Profit from operations1,604,6451,302,697Change in fair value of investment properties-530,000	Other income	66,461	71,592
Audit fees 14,000 22,253 Impairment loss on trade receivables 144,789 91,071 Bank charges 2,158 1,687 Corporate donation 16,065 14,861 Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Repairs and maintenance 4,111 74,446 Share registry maintenance fees 2,673 3,419 Stamp duty charges - 7,140 Sundry 23,166 15,158 Q.058,030 3,022,951 - Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000		3,662,675	4,325,648
Audit fees 14,000 22,253 Impairment loss on trade receivables 144,789 91,071 Bank charges 2,158 1,687 Corporate donation 16,065 14,861 Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Repairs and maintenance 4,111 74,446 Share registry maintenance fees 2,673 3,419 Stamp duty charges - 7,140 Sundry 23,166 15,158 Q.058,030 3,022,951 - Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000	EVDENCES		
Impairment loss on trade receivables 144,789 91,071 Bank charges 2,158 1,687 Corporate donation 16,065 14,861 Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Rates and taxes 22,733 22,608 Repairs and maintenance 4,111 74,446 Share registry maintenance fees 2,673 3,419 Stamp duty charges - 7,140 Sundry 23,166 15,158 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000		14 000	22 253
Bank charges 2,158 1,687 Corporate donation 16,065 14,861 Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Repairs and maintenance 4,111 74,446 Share registry maintenance flees 2,673 3,419 Stamp duty charges - 7,140 Sundry 23,166 15,158 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000			
Corporate donation 16,065 14,861 Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Rates and taxes 22,733 22,608 Repairs and maintenance fees 2,673 3,419 Stamp duty charges - 7,140 Sundry 23,166 15,158 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000	•		
Depreciation and amortisation 1,379,864 2,081,165 Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Rates and taxes 22,733 22,608 Repairs and maintenance 4,111 74,446 Share registry maintenance fees 2,673 3,419 Stamp duty charges - 18,084 Travelling expense - 7,140 Sundry 23,166 15,158 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000	-		
Directors' fees 25,000 30,083 Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Rates and taxes 22,733 22,608 Repairs and maintenance fleet 4,111 74,446 Share registry maintenance flees 2,673 3,419 Stamp duty charges - 7,140 Sundry 23,166 15,158 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000			
Directors' remuneration 5,000 5,000 Insurance 55,680 78,504 Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Rates and taxes 22,733 22,608 Repairs and maintenance 4,111 74,446 Share registry maintenance fees 2,673 3,419 Stamp duty charges - 18,084 Travelling expense - 7,140 Sundry 23,166 15,158 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000	•		
Light and power 694 1,250 Listing fees 6,496 6,656 Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Rates and taxes 22,733 22,608 Repairs and maintenance 4,111 74,446 Share registry maintenance fees 2,673 3,419 Stamp duty charges - 18,084 Travelling expense - 7,140 Sundry 23,166 15,158 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000		5,000	
Listing fees6,4966,656Maintenance fleet expense - operating lease175,601441,566Management fees180,000108,000Rates and taxes22,73322,608Repairs and maintenance4,11174,446Share registry maintenance fees2,6733,419Stamp duty charges-18,084Travelling expense-7,140Sundry23,16615,158Profit from operations1,604,6451,302,697Change in fair value of investment properties-530,000	Insurance	55,680	78,504
Maintenance fleet expense - operating lease 175,601 441,566 Management fees 180,000 108,000 Rates and taxes 22,733 22,608 Repairs and maintenance 4,111 74,446 Share registry maintenance fees 2,673 3,419 Stamp duty charges - 18,084 Travelling expense - 7,140 Sundry 23,166 15,158 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000	Light and power	694	1,250
Management fees 180,000 108,000 Rates and taxes 22,733 22,608 Repairs and maintenance 4,111 74,446 Share registry maintenance fees 2,673 3,419 Stamp duty charges - 18,084 Travelling expense - 7,140 Sundry 23,166 15,158 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000	Listing fees	6,496	6,656
Rates and taxes22,73322,608Repairs and maintenance4,11174,446Share registry maintenance fees2,6733,419Stamp duty charges-18,084Travelling expense-7,140Sundry23,16615,158Profit from operations1,604,6451,302,697Change in fair value of investment properties-530,000	Maintenance fleet expense - operating lease	175,601	441,566
Repairs and maintenance4,11174,446Share registry maintenance fees2,6733,419Stamp duty charges-18,084Travelling expense-7,140Sundry23,16615,1582,058,0303,022,951Profit from operations1,604,6451,302,697Change in fair value of investment properties-530,000	Management fees	180,000	108,000
Share registry maintenance fees2,6733,419Stamp duty charges-18,084Travelling expense-7,140Sundry23,16615,1582,058,0303,022,951Profit from operations1,604,6451,302,697Change in fair value of investment properties-530,000Partition fair value of investment properties-1,002,007	Rates and taxes	22,733	22,608
Stamp duty charges - 18,084 Travelling expense - 7,140 Sundry 23,166 15,158 2,058,030 3,022,951 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000	Repairs and maintenance	4,111	74,446
Travelling expense - 7,140 Sundry 23,166 15,158 2,058,030 3,022,951 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000 Desit before incessed to 1,002,697 1,002,697	Share registry maintenance fees	2,673	3,419
Sundry 23,166 15,158 2,058,030 3,022,951 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000	Stamp duty charges	-	18,084
2,058,030 3,022,951 Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000 Death the function operation 1,002,007 1,002,007	Travelling expense	-	7,140
Profit from operations 1,604,645 1,302,697 Change in fair value of investment properties - 530,000	Sundry	23,166	15,158
Change in fair value of investment properties - 530,000		2,058,030	3,022,951
	Profit from operations	1,604,645	1,302,697
Profit before income tax 1,604,645 1,832,697	Change in fair value of investment properties	-	530,000
	Profit before income tax	1,604,645	1,832,697

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The Detailed Income Statement is to be read in conjunction with the disclaimer set out on page 60.

DISCLAIMER ON ADDITIONAL OTHER INFORMATION - SOUTH PACIFIC STOCK EXCHANGE REQUIREMENT



Total Percentage

FOR THE YEAR ENDED 31 DECEMBER 2020

(a) Statement of interest of each Director in the share capital of the Company as at 31 December 2020				
Directors	<u>Direct Interest</u> (Number of Shares)	Indirect Interest (Number of Shares)		
Nitish Singh Niranjan	724,499	-		
Narayan Singh Niranjan	229,420	-		
Sundar Masih Sukhu	22,664	-		
Ratnesh Ravindra Singh	2,261	-		
Distribution of share holding				

(b) No. of Shareholders

	-	Holding
44	0 - 500	0.18
52	501 - 5,000 shares	4.21
6	5,001 - 10,000 shares	2.02
4	10,001 - 20,000 shares	3.00
1	20,001 - 30,000 shares	1.06
-	30,001 - 40,000 shares	0.00
3	40,001 - 50,000 shares	5.73
2	50,001 - 100,000 shares	5.77
5	100,001 - 1,000,000 shares	78.03
-	Over 1,000,000 shares	0.00
Total 117		100.00

Shareholding

Share Register

- (c) Central Share Registry Pte Limited Shop 1 and 11 Sabrina Building Victoria Parade
 - Suva Fiji.

Shareholding of those persons holding the 20 largest blocks of shares:

	No. of Shares
(d) Shareholders	704 400
Nitish Niranjan	724,499
N S Niranjans Holdings Ltd	356,285
FHL Trustees Limited ATF Fijian Holdings Unit Trust	253,658
Narayan Singh Niranjan	229,420
Sashi Kant Lakhan	103,888
Francesa Niranjan	72,398
Trustee of AP Sabha	50,900
The South Pacific Investment Company Limited	42,000
Pacific Gas Company Limited	40,284
Patelkhatri Investments (Fiji) Ltd	40,178
Sundar Masih Sukhu	22,664
Jimaima T Schultz	19,783
Abdul Sayed Jalal	19,349
Rama Kant Lakhan	12,989
Praful Patel Investments Pty Ltd < P & A Patel Superfund A/C>	12,000
Kamla Singh	8,207
Hardayal Singh	8,197
Warwick Pleass	7,400
Tutanekai Investments Limited	6,700
Satya Nand Nandan	6,375









2020 Annual Report



VB HOLDINGS LTD

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