



4<sup>th</sup> May 2021

## **MARKET ANNOUNCEMENT**

For Public Release

### **KONTIKI FINANCE LIMITED (KFL) ANNOUNCES RESULT FOR NINE MONTHS TO 31 MARCH 2021 – ASSETS UP 7%**

Kontiki Finance Limited (KFL) announced the Group's unaudited result for the nine months to 31 March 2021.

For the nine months ending 31 March 2021, the Net Profit After Tax recorded was \$6.4m, a decrease of 24% over the \$8.4m Profit recorded for the same period the previous year.

Group Earnings per Share for the first nine months was 6.9 cents per share, down from 9.2 cents per share in the same period the previous year.

Net Operating Income for the nine months to 31 March 2021 was \$18.8m, compared with \$22.5m for the same period in the previous year, a decrease of 16%, after taking \$7.8m in impairment charges.

Total Assets under Management grew to \$275m as at 31 March 2021, compared with \$257.3m as at 31 March 2020, an increase of 7%.

Net Assets closed at \$30.8m as at 31 March 2021, compared with \$29.3m as at 31 March 2020, an increase of 5%.

The Group's cash at bank and liquidity placements grew to \$112m as at 31 March 2021, an increase of 30% on the same period in the previous year.

Chairman Daryl Tarte said, "Given the long duration of the COVID-19 pandemic, the economic impacts have now flowed to most sectors of the economy. Taking these impacts into account we have increased our loan provisions, which has reduced profitability for the nine months to 31 March 2021."

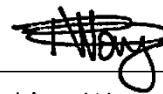
Tarte added “We would like to commend Dr Fong and the Ministry of Health team for their efforts in managing the COVID-19 virus. We are hopeful that the vaccination programme will allow opening to overseas visitors as soon as it is safe for Fiji to do so.”

Yours sincerely,



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Daryl Tarte  
Chairman



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Beatrice Wong  
Company Secretary

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY  
**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
FOR NINE MONTHS ENDED 31 MARCH

(FJ\$ '000)	2021	2020	% Change
Interest income	33,148	30,846	7%
Less Interest expense	(8,848)	(8,349)	6%
Less Other interest and similar expense	(807)	(234)	245%
<b>Net interest income</b>	<b>23,493</b>	<b>22,263</b>	<b>6%</b>
Fee and other income	3,137	3,236	-3%
<b>Total operating income</b>	<b>26,630</b>	<b>25,499</b>	<b>4%</b>
Less Impairment charges on financial assets	(7,845)	(3,023)	160%
<b>Net operating income</b>	<b>18,785</b>	<b>22,476</b>	<b>-16%</b>
Less Personnel expenses	(5,841)	(7,019)	-17%
Less Depreciation	(544)	(579)	-6%
Less Operating expenses	(5,352)	(5,541)	-3%
<b>Profit before tax</b>	<b>7,048</b>	<b>9,337</b>	<b>-25%</b>
Less Income tax expense	(620)	(933)	-34%
<b>Net profit after tax</b>	<b>6,428</b>	<b>8,404</b>	<b>-24%</b>
OEI in Net Profit & Extraordinary items after income tax	0	0	
<b>Profit Attributable to Members of the Company</b>	<b>6,428</b>	<b>8,404</b>	<b>-24%</b>
Retained Profit at the Beginning of the Period	14,376	11,831	22%
<b>Total Available for Appropriation</b>	<b>20,804</b>	<b>20,235</b>	<b>3%</b>
Less Ordinary Dividend paid out	(4,605)	(4,740)	-3%
<b>Retained Profit at the End of the Period</b>	<b>16,199</b>	<b>15,495</b>	<b>5%</b>
<b>Basic Earnings per share</b>	<b>6.9 cents</b>	<b>9.2 cents</b>	<b>-25%</b>

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY  
**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
AS AT 31 MARCH

(FJ\$ '000)	As Shown in		
	2021	Annual Report For Year Ended 30 June 2020	2020
<b>Assets</b>			
Cash at bank	7,245	12,246	4,888
Financial assets	104,690	77,033	81,263
Finance receivables	165,214	165,838	163,960
Provisions	(15,407)	(12,104)	(6,133)
Other receivables	5,584	11,027	5,649
Right of use assets	5,917	6,786	5,373
Property, plant & equipment	1,781	2,330	2,306
<b>Total Assets</b>	<b>275,024</b>	<b>263,156</b>	<b>257,306</b>
<b>Liabilities</b>			
Term deposits	215,593	213,034	208,960
Corporate (Tier 2 Capital) Bond	10,000	2,600	0
Lease liability	6,194	6,960	5,525
Other creditors	12,424	12,408	13,548
<b>Total liabilities</b>	<b>244,211</b>	<b>235,002</b>	<b>228,033</b>
<b>Net Assets</b>	<b>30,813</b>	<b>28,154</b>	<b>29,273</b>
<b>Shareholders' funds</b>			
Ordinary equity	14,614	13,778	13,778
Retained earnings	16,199	14,376	15,495
<b>Total Shareholders' Funds</b>	<b>30,813</b>	<b>28,154</b>	<b>29,273</b>

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY  
**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW**  
FOR NINE MONTHS ENDED 31 MARCH

(FJ\$ '000)	2021	2020	% Change
<b>Cash flow from operating activities</b>			
Interest income received	33,148	30,846	7%
Interest expense paid	(8,848)	(8,349)	6%
Interest paid on lease liabilities	(291)	(234)	24%
Non-Interest income received	3,137	3,236	-3%
Premium income received	902	0	
Payments for claims	(1,354)	0	
Payments to suppliers and employees	(15,013)	(11,119)	35%
Net customer loans granted	538	(32,899)	-102%
Term deposits received	2,559	49,584	-95%
Income tax paid	(571)	(900)	-37%
<b>Net cashflow from operating activities</b>	<b>14,207</b>	<b>30,165</b>	<b>-53%</b>
<b>Cash flow from investing activities</b>			
Acquisition of plant and equipment	(59)	(1,189)	-95%
Proceeds from sale of plant and equipment	(84)	0	
Acquisition of intangible asset	(48)	(181)	-73%
Acquisition of debt financial instruments	(21,126)	(27,174)	-22%
Net proceeds from sale/acquisition of financial asset through profit or loss	(372)	0	
Dividend received	32	8	300%
Proceeds from issuance of corporate bond	7,400	0	
<b>Net cash flows (used in) Investing Activities</b>	<b>(14,257)</b>	<b>(28,536)</b>	<b>-50%</b>
<b>Cash flow from Financing activities</b>			
Capital contribution from shareholders	836	985	-15%
Dividend paid	(4,605)	(4,740)	-3%
Lease payments	(1,182)	(987)	20%
<b>Net cash flows from Financing Activities</b>	<b>(4,951)</b>	<b>(4,742)</b>	<b>4%</b>
Net increase/(decrease) in cash and cash equivalents	(5,001)	(3,113)	61%
Cash and cash equivalents at 1 July	12,246	8,001	53%
<b>Cash and cash equivalents at 31 March</b>	<b>7,245</b>	<b>4,888</b>	<b>48%</b>