



Market Announcement

For Public Release

10th September 2021

Kontiki Finance Limited - Annual Result and Final Dividend for the Year Ended 30 June 2021

Kontiki Finance's Board of Directors today announced the company's audited financial results for the 12 months ended 30 June 2021. Consolidated Group net profit after tax (NPAT) was \$4.3m, down from \$7.3m the prior year, largely resulting from reduced sales and increased impairment provisions due to the COVID economic conditions. The Group's return on equity for the year was 15%.

Total Group revenue increased by 2% from \$34.7m to \$35.2m, on the back of increasing Group assets, which increased by 6% from \$263.2m to \$279.6.

The Directors have declared a final dividend of 1.5 cents per share for the year ended 30 June 2021, to be paid on or before 8th October 2021. The record date is 30th September 2021. This brings the total dividends paid for the 2021 financial year to 4.5 cents per share.

The Group has continued to implement measures to control expenditure and re-align its business to the economic environment. Expenditure controls have reduced the management expense ratio from 49.7% to 44.6% during the FY 2021.

The Group is positioning itself for further growth as market conditions allow. During the year KFL completed two private Corporate Bond issues, with both issues closing fully subscribed, raising \$20m in total. The Corporate Bond issues have further strengthened Kontiki Finance's regulatory capital position, supporting continued growth of the business in Fiji and in future markets.

The Group's liquidity position remains strong, with the Group holding \$117.9m in liquidity placement assets (bank deposits and government bonds) as at the year end.

Looking forward to the new year ahead we are committed to continue learning, understanding, and adapting to the 'new normal' Covid-affected business conditions, as we believe this is vital for continuity, more so as we travel the road to recovery of the economy and beyond.

A blue ink signature of Daryl Tarte MF, consisting of a series of connected loops and a long horizontal stroke.

Daryl Tarte MF
Chairman

A black ink signature of Beatrice Wong, featuring a stylized 'W' and 'B'.

Beatrice Wong
Company Secretary

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR END 30 JUNE

(FJ\$ '000)	2021	2020	% Change
Interest income	43,642	42,364	3%
Less Interest expense	(11,756)	(11,750)	0%
Less Other interest and similar expense	(1,105)	(368)	200%
Net interest income	30,781	30,246	2%
Fee and other income	4,449	4,451	0%
Total operating income	35,230	34,697	2%
Less Impairment charges on financial assets	(14,930)	(9,606)	55%
Net operating income	20,300	25,091	-19%
Less Personnel expenses	(7,590)	(8,990)	-16%
Less Depreciation	(2,038)	(1,994)	2%
Less Operating expenses	(6,074)	(6,274)	-3%
Profit before tax	4,598	7,833	-41%
Less Income tax expense	(331)	(548)	-40%
Net profit after tax	4,267	7,285	-41%
OEI in Net Profit & Extraordinary items after income tax	0	0	
Profit Attributable to Members of the Company	4,267	7,285	-41%
Retained Profit at the Beginning of the Period	14,376	11,831	22%
Total Available for Appropriation	18,643	19,116	-2%
Less Ordinary Dividend paid out	(4,604)	(4,740)	-3%
Retained Profit at the End of the Period	14,039	14,376	-2%
Basic Earnings per share	4.6 cents	8.0 cents	-43%

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE

(FJ\$ '000)	2021	As Shown in Annual Report For Year Ended 30 June 2020	% Change
Assets			
Cash at bank	42,650	12,246	248%
Financial assets	75,273	77,033	-2%
Finance receivables	158,894	165,838	-4%
Provisions	(18,994)	(12,104)	57%
Other receivables	14,401	11,027	31%
Right of use assets	5,598	6,786	-18%
Property, plant & equipment	1,765	2,330	-24%
Total Assets	279,587	263,156	6%
Liabilities			
Term deposits	213,322	213,034	0%
Corporate (Tier 2 Capital) Bond	20,000	2,600	669%
Lease liability	5,902	6,960	-15%
Other creditors	11,710	12,408	-6%
Total liabilities	250,934	235,002	7%
Net Assets	28,653	28,154	2%
Shareholders' funds			
Ordinary equity	14,614	13,778	6%
Retained earnings	14,039	14,376	-2%
Total Shareholders' Funds	28,653	28,154	2%

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL YEAR END 30 JUNE

(FJ\$ '000)	2021	2020	% Change
Cash flow from Operating Activities			
Interest income received	42,066	41,344	2%
Interest expense paid	(12,490)	(11,764)	6%
Interest paid on lease liabilities	(372)	(354)	5%
Non-Interest income received	1,503	894	68%
Premium income received	984	3,264	-70%
Payments to suppliers and employees	(21,700)	(16,508)	31%
Payments for claims	(1,926)	(545)	253%
Net customer loans granted including repayments	6,882	(34,690)	-120%
Net term deposits received	288	53,659	-99%
Income tax paid	(631)	(1,215)	-48%
Net cash flows from Operating Activities	14,604	34,085	-57%
Cash flow from Investing Activities			
Acquisition of plant and equipment	(76)	(1,415)	-95%
Proceeds from sale of plant and equipment	147	84	75%
Acquisition of intangible asset	(84)	(209)	-60%
Disposals/acquisition of debt financial instruments	1,760	(21,208)	-108%
Net proceeds from sale/acquisition of financial asset through profit or loss	1,536	(4,947)	-131%
Dividend received	68	54	26%
Proceeds from issuance of corporate bond	17,400	2,600	569%
Net cash flows from/(used in) Investing Activities	20,751	(25,041)	-183%
Cash flow from Financing Activities			
Capital contribution from shareholders	836	985	-15%
Dividend paid	(4,604)	(4,740)	-3%
Lease payments	(1,183)	(1,044)	13%
Net cash used in Financing Activities	(4,951)	(4,799)	3%
Net increase/(decrease) in cash and cash equivalents	30,404	4,245	616%
Cash and cash equivalents at 1 July	12,246	8,001	53%
Cash and cash equivalents at 30 June	42,650	12,246	248%

Annexure F: Dividend Declaration

Kontiki Finance Limited

Declaration of Dividend

PART A: Basic Details

Sr. No.	Particulars	Answer
1.	Type of dividend/distribution	<input checked="" type="checkbox"/> Final <input type="checkbox"/> Interim <input type="checkbox"/> Any other (specify) _____
2.	The dividend/distribution relates to	<input type="checkbox"/> a period of one month. <input type="checkbox"/> a period of one quarter. <input type="checkbox"/> a period of six months. <input checked="" type="checkbox"/> a period of twelve months. <input type="checkbox"/> any other (specify) _____
3.	The dividend/distribution relates to the period ended/ending (date)	30th June 2021
4.	Date of dividend declaration/approval	10th September 2021
5.	Record date	30th September 2021
6.	Date of Ex-benefit	27th September 2021

7.	Date of payment of dividend	8th October 2021
8.	Are the necessary approvals as required under the Companies Act 2015, SPX Listing Rules and Articles of Association of the Company obtained?	Yes

PART B: Dividend/distribution amounts per type and other details

	Current Dividend/Distribution	Previous Dividend/Distribution [corresponding to the current period, if applicable]
Dividend per share	1.5 cents	2.0 cents
Amount of dividends (\$)	\$1,391,297	\$1,836,324
Turnover	\$45,995,443	\$44,459,643
Gross Profit	\$33,134,041	\$32,341,852
Income from other sources	2,095,872	\$2,356,115
Income tax expense	\$330,948	\$547,777
Net profit after tax	\$4,267,481	\$7,284,837



Director



Company Secretary