



PATEL

*We make it easy!*  
Save Money! Save Time! Great Range!

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# Annual Report 2022

[www.rbpatel.com.fj](http://www.rbpatel.com.fj)



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Save Money! Save Time! Great Range!



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## DIRECTORY

### Directors

Yogesh J Karan - Chairman  
Surendra Kumar Patel  
Abilash Ram  
Kavin Rathod  
Michael Nacola  
Sereana Matakibau

### Company Secretaries

Jayesh Patel  
Deepak Rathod

### Bankers

BSP Financial Group Limited  
Australia & New Zealand  
Banking Group Limited

### Auditors

BDO  
Chartered Accountants  
Suva

### Solicitors

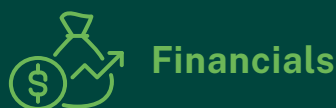
Sherani & Company  
Barristers and Solicitors  
Suva

### Registered Office

RB Patel CenterPoint Building  
Ratu Dovi Road, Laucala Beach Estate  
Nasinu

# RB PATEL GROUP LIMITED

## 2022 AT A GLANCE



### Financials

#### Profit from operations

**\$13.4M** ↑ 8.6% from 2021

#### Net Cash Provided by Operating Activities

**\$10M** ↓ \$14M in 2021

#### Profit after Tax

**\$10.9M** ↑ 27.9% from 2021

#### Profit before Interest, Tax & Depreciation

**\$15.1M** ↑ 23% from 2021



### Environment

#### Solar Power Generated

**473 MWH** ↑ 369 MWH in 2021

#### Total Diesel Avoided

**139 Tonnes** ↑ 108 T in 2021

#### Equivalent Trees Planted

**8,372 Trees** ↑ 6,529 trees in 2021

#### Reversed CO2 output

**326,524 tonnes** ↑ 254636 tonnes in 2021



### Revenue

#### Sales and Other Income

**\$144M** ↑ 5.9% from 2021



### Shareholders

#### Earnings per Share

**7.3c** ↑ 5.7c in 2021

#### Full year Dividends per Share

**3.2c** ↑ 2.8c in 2021

#### Total Dividend paid

**\$4.8M** ↑ 4.2c in 2021



### Team

**Male - 268** ↓ 302 in 2021

**Female - 376** ↑ 362 in 2021

**Total - 644** ↓ 671 in 2021

## CHAIRMAN'S REVIEW



As your Chairman, it gives me great pleasure in presenting your company's 2022 Annual Report for the year ended 30 June 2022.

I take this opportunity to acknowledge the continuing support of all our stakeholders in meeting the challenges of the past year. Your company has performed exceptionally well despite these unprecedented challenges as evident by the 8.6% increase in our profit from operations for the year from \$12.3 to \$13.4 million.

### Key Financial Highlights

Revenue, including other income also increased by 5.9% to \$143 million from \$135 million last year while Gross profit increased by 9.5%, an increase to \$30.2 from \$27.2 million last year.

These results are impressive and reflects the impact of the opening of international borders in late 2021 as well as the ability of the company to reengineer its operations to capture the opportunities provided by the surge in demand.

Similar to last year's assessment, the Board is of the opinion, considering the economic circumstances, that there was no change in the value of the company's investment properties.

	12 MONTHS ENDED 30 JUNE 2020	12 MONTHS ENDED 30 JUNE 2021	12 MONTHS ENDED 30 JUNE 2022
<b>Revenue including other income</b>	<b>\$139,606,464</b>	<b>\$135,499,374</b>	<b>\$143,547,772</b>
Growth	3.1%	(2.9%)	5.9%
<b>Profit from operations</b>	<b>\$11,877,466</b>	<b>\$12,307,923</b>	<b>\$13,370,788</b>
Growth	7.7%	3.5%	8.6%
<b>Profit for the year (after tax)</b>	<b>\$9,680,545</b>	<b>\$8,570,882</b>	<b>\$10,959,991</b>
Growth	(4.0%)	(12.9%)	27.9%
<b>Dividends per share</b>	<b>1.4 cents</b>	<b>2.8 cents</b>	<b>3.2 cent</b>
<b>Earnings per share</b>	<b>6.5 cents</b>	<b>5.7 cents</b>	<b>7.3 cents</b>

### Supply chain

Although supply chain issues continued during the year some easing was in sight by the close of the year. Unfortunately, the war in Ukraine brought with it many supply chain challenges as well as price fluctuations due to shortages of commodities on the world markets.

The company has managed through planning and logistics to keep its imports within acceptable timelines as well as minimising cost increases due to freight as well as shortages.

Our long-standing arrangements and business history with our major suppliers both locally and globally have ensured we receive priority in our dealings. Freight and product costs have increased significantly during the year and there does not appear to be much relief with this in the short term.

We anticipate supply chain challenges to continue in the medium term and will affect both local distributors of overseas sourced products as well as our own imported lines. It is therefore imperative that we keep abreast of developments and take the necessary actions to mitigate the impact.

### Share Price & Dividends

The company's share price increased to a high of \$3.40 and dropped to a low of \$2.95 during the financial year. The share price as at 30 June 2022 was \$3.25. This reflects the state of the economy indicating small parcels of shares being sold by shareholders seeking liquidity relief.

Dividends paid and or declared during the year-ending 30 June 2022 amounted to 3.2 cents per share with a total payout of \$4.8 million. With the final dividend declared in August 2022 the total dividends declared from the profits for the year ended 30 June 2022 was \$7.05 million or 4.7 cents per share. This is the highest dividend declared since we listed in 2001.

### Investments

The three-storey Stage 5 development at our JetPoint Complex in Nadi is significantly tenanted with very promising prospects seeking office space. With the impact of the pandemic behind us rentals have been restored to almost pre-COVID levels and is reflected in the increase in our rental income.

The new store in the MyFNPF centre in Nadi town opened in December 2021 and has shown promising growth during the year. The new Convention Centre and retail building in Lami is almost complete and we hope to start hiring from November 2022. The retail space on the ground floor has significantly been leased.

## CHAIRMAN'S REVIEW (CONT'D)

### Technology

Our web-based shopping presence continues to be greatly appreciated by local as well as overseas customers who can buy from anywhere. The continuous upgrading of the on-line experience is proving to be popular both locally and globally.

### Economic Outlook

Global growth prospects have deteriorated rapidly in recent months due to rising geopolitical tensions, economic slowdown observed in major economies, particularly the United States, Europe and China, and increasing inflation, which has resulted in most countries tightening monetary and financial conditions. A global recession is possible according to the IMF and the World Bank's August outlook.

The Fiji Government's recent 2022-2023 Budget measures with its targeted support for agriculture, tertiary students, education and scholarships together with inflation mitigation measures, increases in to social welfare, Government pension and Aftercare are expected to boost general economic activity.

Fiji's broad-based economic recovery is expected to be driven by the services, industrial and primary sectors in line with the rebound in travel and tourism. Growth for 2023 is projected at 9.3% and 5.0% for 2024.

### Staff, Customers & Service

Our people continue to demonstrate agility in their thinking, dedication and commitment to work. We are fortunate to have such competencies and dedication throughout our business. The ability of the team to adjust to the shifting market conditions is exceptional. The team continues to show an amazing willingness to trial new processes and systems.

RB Patel continues to focus on the safety and wellbeing of both its employees and customers with procedures implemented to ensure that our supermarkets and workplaces are adequately protected.

Our slogan "We make it easy! Save money, Save time, Great range!" continues to provide motivation for all our initiatives.

### Looking to the future

Fiji's economic recovery has gained momentum, supported by a strong rebound in the tourism industry and generally positive sectorial performances. Demand continues to rise, sustained by higher consumption and investment spending with financial conditions remaining accommodative and supportive of growth.

All signs are that Fiji will achieve its forecasted growth of 12.4% after its two consecutive years of contractions induced by the coronavirus pandemic. This certainly sets the stage for our growth for the coming year.

I thank my fellow board members for their brilliant support during the year and to all staff and management for their commitment and perseverance during an unprecedented time in our history.

Vinaka vakalevu.



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**Yogesh Karan**  
Chairman

# CORPORATE GOVERNANCE STATEMENT 2022

Principle	Requirement	Compliance Status
1. Establish clear responsibilities for board oversight	Separation of duties: Clear separation of duties between Board and senior management.	The RBG Board Charter clearly states the duties for the Board and senior management.
	Board Charter: Adopt a Board charter detailing functions and responsibilities of the Board.	A Board Charter is in place and is reviewed regularly.
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.	The Board currently has six directors five of who are non-executive directors and two independent directors.
	Gender Diversity: Do you have a policy for promoting gender diversity at Board level and have you achieved your goals.	RBG has a Gender Diversity policy. RBG promotes gender equality and diversity within its workforce and Board.
	Nomination Committee: Selection, approval, renewal and succession of Directors to be conducted by Nomination Committee in accordance with Articles of Association of the Company and Fit and Proper Policy of Reserve Bank.	Nomination Committee is in place and handles the process of selection, approval, renewal and succession of Directors
	Board Evaluation: Process of evaluation of performance of the Board, its Committees and individual directors. Evaluation to be linked to key performance indicators of the listed entity.	Board evaluation guidelines have been established and reviewed regularly. The Board is in the process of establishing a suitable subcommittee for this purpose.
	Directors Training: Directors' training and induction procedure to be in place to allow new directors to participate fully and effectively.	Directors are provided materials to help in their induction and encouraged to undertake director training.
	The Board endeavours to meet at least on a quarterly basis to consider and review the company's performance and consider/ approve any major policy changes or acquisitions.	The Board is provided monthly reports including Financial Statements, Compliance statements and general trading and economic indicators for their review.
Board Sub-committees: Board must have sub-committees which must at a minimum include -	RBG has an Audit & Risk and a Human Resources Committee. These committees meet to review areas of RBG which the Board considers critical. RBG utilises the holding company's (FHL) Nominations/ Recruitment Committee for purposes of Nominations/recruitment.	
• Audit Committee;		
• Risk Management Committee; and		
• Nomination Committee/ Recruitment Committee		
3. Appointment of Chief Executive Officer	CEO: To appoint a suitably qualified and competent Chief Executive Officer.	RBG has a Management Agreement with FHL Retailing Pte Limited (the holding company) under which operations of the company are managed. Executive appointments are made under this framework.
4. Appointment of a Company Secretary by the Board	Company Secretary: Board to appoint a suitably qualified and competent Company Secretary, who is accountable to the Board, through Chair, for all compliance and governance issues.	Competent company secretaries have been appointed.

## CORPORATE GOVERNANCE STATEMENT (CONT'D)

Principle	Requirement	Compliance Status
5. Timely and balanced disclosure	Annual Reports: Timely and accurate disclosures are made in Annual reports as per Rule 51of Listing Rules.	Annual Reports are produced and circulated to all shareholders.
	Payments to Directors and senior management are disclosed in the Annual Report.	Payments to Directors and senior management are disclosed in the Annual Report.
	Continuous Disclosure: General disclosures or company announcements to be made in a timely manner. The disclosures should be factual without omitting material information and to be expressed in a clear and objective manner to shareholders.	Disclosures and announcements are made as and when required and on a timely manner.
6. Promote ethical and responsible decision-making	Code of Conduct: To establish a minimum Code of Conduct of the listed entity applicable to directors, senior management and employees and conduct regular trainings on the same.	A Code of Conduct for Directors and Senior Management is in place as well as guidelines for employees.
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.	Conflicts of interest are disclosed when identified and a register maintained.
8. Respect the rights of shareholders	Communication with shareholders: To design communication strategy to promote effective communication with shareholders and encourage their participation.	Communication with shareholders is achieved through the Annual Report, AGM and various market announcements made during the year.
	Website: To create and maintain a Website of the listed entity to communicate effectively with shareholders and other stakeholders. All matters of importance to be updated regularly on the Website.	RBG maintains a website and is continuously updating the content for various stakeholders. <a href="http://www.rbpatel.com.fj">www.rbpatel.com.fj</a>
	Grievance Redressal Mechanism: To establish a Grievance Redressal Mechanism for Shareholders to address shareholders complaints and grievances.	RBG has not received any grievance from any of its shareholders. A policy is in place for addressing these.
	Shareholders' Complaints: To provide details of shareholders' complaints received and attended to during the year. Provide reasons if any complaint is unresolved or unattended.	No complaints were received from shareholders during the year. A policy in already in place to address these.
	Corporate Sustainability: To adopt a business approach that creates long-term shareholder value by embracing opportunities, managing risks, maximising profits and minimising negative social, economic, and environmental impacts.	RBG adopts a sustainable approach to its business.



## CORPORATE GOVERNANCE STATEMENT (CONT'D)

Principle	Requirement	Compliance Status
9. Accountability and audit	Internal Audit: To appoint internal auditors or an alternative mechanism to achieve the objectives of risk management, control and governance.	RBG has adequate internal audit mechanisms and personnel to ensure adequate oversight.
	External Audit: To appoint an external auditor who reports directly to the Board Audit Committee.	RBG appoints an auditor at its AGM annually.
	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.	RBG ensures rotation of auditors on a regular basis.
	Audit & Risk Committee: To establish an Audit & Risk Committee comprising of at least 3 members of which majority are independent and Chair is not Chair of the Board.	RBG has an Audit & Risk Committee which consists of an independent director as Chair, a non-executive director and FHL Manager Internal Audit.
10. 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.	RBG has developed a comprehensive Risk Management Policy awaiting Board review and approval of a redrafted version.
	Whistle Blower Policy: As part of risk management strategy, establish a Whistle Blower Policy by creating a mechanism of reporting concerns of unethical behavior, actual or suspected fraud or violation of the listed entity's code of conduct or ethics policy, SPX Rules or Companies Act.	A policy is in place and being amended as and when required.

# DIRECTOR'S REPORT

In accordance with a resolution of the board of directors, the directors herewith submit the statement of financial position of RB Patel Group Limited (the company) as at 30 June 2022, the related statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and report as follows:

## Directors

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

Yogesh J Karan - Chairman  
Abilash Ram  
Michael Nacola

Surendra Kumar Patel  
Kavin Rathod  
Sereana Matakibau

## Principal Activities

The principal activities of the company during the year were that of retailing and wholesaling of general merchandise, owners and administrators of properties and equity investments. The company operates ten supermarket stores throughout the country. There were no significant changes in the nature of these activities during the financial year.

## Results

The results for the year are as follows:

	2022	2021
Profit from operations	\$ 13,370,788	12,307,923
Finance income	84,157	63,627
Finance costs	(1,344,610)	(1,161,753)
Impairment loss on advances to related party (note 10)	-	(1,723,691)
Profit before income tax	12,110,335	9,486,106
Income tax expense	(1,150,344)	(915,224)
Profit for the year	\$ 10,959,991	8,570,882

## Dividends

During the year, the company declared and paid dividends of \$4,800,000 (2021: \$4,200,000).

## Basis of Accounting - Going Concern

The financial statements have been prepared on a going concern basis. The directors consider the application of the going concern principle to be appropriate in the preparation of the financial statements as they believe with the plans and strategies put in place by the company together with the ongoing support of the shareholders and lenders, the company will generate and maintain required funding for its operations and meet its liabilities and commitments as and when they fall due over the next twelve months. Accordingly, directors believe that the classification and carrying amounts of the assets and liabilities as stated in the financial statements to be appropriate.

## Bad Debts and Allowance for Impairment Loss

Prior to the completion of the company's financial statements, the directors took reasonable steps to ascertain that action has been taken in relation to writing off of bad debts and the making of allowance for impairment loss. In the opinion of directors, adequate allowance has been made for impairment loss.

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 allowance for impairment loss in the company, inadequate to any substantial extent.

## Current and Non-Current Assets

Prior to the completion of the financial statements of the company, the directors took reasonable steps to ascertain whether any current and non-current assets were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the company. Where necessary, these assets have been written down or adequate allowance 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 current and non-current assets in the company's financial statements misleading.

## DIRECTOR'S REPORT (CONT'D)

### 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.

### Significant Events During the Year

#### The Impact of COVID-19 Global Pandemic

Since the initial declaration of the pandemic in early 2020, Fiji and many countries including Fiji's key trading partners have experienced significant challenges. The initial impact of the pandemic was felt mainly in the tourism industry and wider impact to many other businesses due to border closure and high level of unemployment.

The virus had been contained until April 2021 when the delta strain of the virus was detected and started to rapidly spread in the community. This wave of the virus had a severe impact on the domestic economic activities due to restrictions on movement of people and prolonged closure of many businesses on Viti Levu especially in the Lami to Nausori containment zone, and continuing international border closure.

The easing of restrictions together with opening of international borders in late 2021 significantly improved the business conditions and economic outlook for Fiji. The recovery and improving economic activity levels have provided the impetus for business confidence.

#### Events Subsequent to Balance Date

In accordance with Income Tax (Rates of Tax and Levies) (Amendment) (No. 2) Regulations 2022, commencing from financial year ending 30 June 2024 (tax year 2023), the company will be subject to corporate income tax at the rate of 20%. Accordingly, the current corporate income tax rate of 10% will increase to 20% from financial year ending 30 June 2024.

This change in corporate income tax rate is expected to have significant impact with increase in deferred tax liabilities with corresponding reduction in retained earnings. Based on the preliminary calculations, the impact is estimated to be in the vicinity of \$3.5 million. In accordance with IFRS, the impact of this change will be brought to accounts during financial year ending 30 June 2023.

Apart from the above, no other matters or circumstance have arisen since the end of the financial year which would require adjustment to, or disclosure in, the financial statements.

### 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 has become or is likely to become enforceable within 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 obligations 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.

### Directors' Benefits

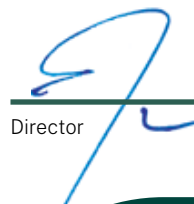
Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than those disclosed in the financial statements as emoluments, fees and incentives) by reason of a contract made by the company or by a related corporation with the director or with a firm of which he / she is a member, or with a company in which he / she has a substantial financial interest.

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

Dated this 24th day of August 2022.



Director



Director

## DIRECTOR'S DECLARATION

The declaration by directors is required by the Companies Act, 2015.

The directors of the company have made a resolution that declares:

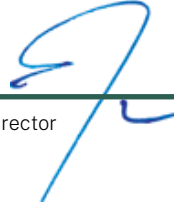
- a)** In the opinion of the directors, the financial statements of the company for the financial year ended 30 June 2022:
  - (i)** comply with the International Financial Reporting Standards and give a true and fair view of the financial position of the company as at 30 June 2022 and of the performance and cash flows of the company for the year ended 30 June 2022; and
  - (ii)** have been prepared in accordance with the Companies Act, 2015;
- b)** The directors have received independence declaration by auditors 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 board of directors.

Dated this 24th day of August 2022.



Director



Director



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Fax: +679 330 1841  
Email: info@bdo.com.fj  
Offices in Suva and Lautoka

BDO  
Chartered Accountants  
Level 10, FNPF Place  
343 Victoria Parade  
GPO Box 855  
Suva, Fiji

## RB PATEL GROUP LIMITED

# AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS

As auditor for the audit of RB Patel Group Limited for the financial year ended 30 June 2022  
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.

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Wathsala Suraweera  
Partner  
Suva, Fiji

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BDO  
CHARTERED ACCOUNTANTS

24 August 2022

# INDEPENDENT AUDITOR'S REPORT

## To the Shareholders of RB Patel Group Limited Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of RB Patel Group Limited (the company), which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 30 June 2022, 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.

### Emphasis of Matter

We draw attention to Note 14(a) of the financial statements on Investment Properties. This provides the details of valuation approach adopted by the independent valuer for the fair value assessment of investment properties of the company as at 30 June 2022, his valuation inputs and the internal assessment carried out by the management and directors considering the global pandemic and uncertainty with tenancy and the general economic recovery for the valuation assessments. Our opinion is not modified in respect of this matter.

### 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.

#### Key audit matter

##### Fair Value Assessment of Investment Properties (\$56,804,400)

Refer to Note 14 to the Financial Statements.

##### Fair value assessment of investment properties is considered to be a key audit matter due to:

- The significance of the investment properties to the financial statements of the company.
- Material valuation uncertainties involved in ascertaining the fair market values of properties as a result of global pandemic situation and economic conditions.
- The nature of the properties which requires judgements in assessing the appropriateness of the valuation methodology and inputs. The company has appointed external valuer to assist in this process.
- The low volume of comparable market transactions for properties available to corroborate valuation inputs and assumptions such as rentals, yields, capitalization rates and discount rates.

#### How our audit addressed the matter

##### Our audit procedures included:

- Assessing the scope, expertise and independence of the external valuer used by the company.
- Evaluating the company's process for reviewing and adopting the valuation by comparing to the company's internal framework for assessing valuations.
- Evaluating the appropriateness of the valuation methodology selected by valuer to determine the fair value of different properties to accepted market practices and our industry experience.
- Independently assessing the key inputs adopted by the valuer to available market transactions for similar properties and other comparable property classes including performing sensitivity analysis for key judgemental valuation inputs.
- Reviewing directors' and management's internal analysis and assessments done and conclusions made by the management based on independent valuation reports and current economic uncertainties.
- Evaluating the material valuation uncertainties involved in ascertaining the fair market values of properties as a result of global pandemic situation and economic conditions.
- Assessing the appropriateness of the disclosures included in Notes 14 to the financial statements.

# INDEPENDENT AUDITOR'S REPORT (CONT'D)

## To the Shareholders of RB Patel Group Limited (Cont'd)

### Other Information

The management and directors are responsible for the other information. The other information comprises of the information included in the directors' report and Annual Report but does not include the financial statements and the auditor's report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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. We have nothing to report from our reading of directors' report. When we read the annual report, if we conclude that there is a material misstatement of this other information, we are required to report that fact.

### Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The management and directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and the Companies Act 2015, and for such internal control as the management and directors 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 management and directors 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 management and directors either intend to liquidate the company or 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. Misstatements can arise from fraud and error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's and directors' 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 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 those charged with governance 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 also provide those charged with governance 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 those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# INDEPENDENT AUDITOR'S REPORT (CONT'D)

## To the Shareholders of RB Patel Group Limited (Cont'd)

### Report on Other Legal and Regulatory Requirements

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

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



BDO  
CHARTERED ACCOUNTANTS



Wathsala Suraweera  
Partner  
Suva, Fiji

24 August 2022



## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022	2021
Revenue		\$ 140,152,328	132,525,631
Cost of sales		(109,974,230)	(104,961,359)
<b>Gross profit</b>		<b>30,178,098</b>	<b>27,564,272</b>
Other income	6	3,395,444	2,973,743
		33,573,542	30,538,015
Operating expenses		(19,771,601)	(17,720,757)
Impairment loss on trade and other receivables		(16,979)	(4,030)
Selling and marketing expenses		(414,174)	(505,305)
<b>Profit from operations</b>		<b>13,370,788</b>	<b>12,307,923</b>
Finance income	7(a)	84,157	63,627
Finance costs	7(b)	(1,344,610)	(1,161,753)
Impairment loss on advance to related party	10	-	(1,723,691)
<b>Profit before income tax</b>	8	<b>12,110,335</b>	<b>9,486,106</b>
Income tax expense	9(a)	(1,150,344)	(915,224)
<b>Profit for the year</b>		<b>10,959,991</b>	<b>8,570,882</b>
Other comprehensive income		-	-
<i>Items that will not be reclassified to profit or loss:</i>			
Equity investments at fair value through other comprehensive income – change in fair value		(90,000)	-
<b>Total comprehensive income for the year</b>		<b>\$ 10,869,991</b>	<b>8,570,882</b>
<b>Basic &amp; diluted earnings per share</b>	22	<b>7.3 cents</b>	<b>5.7 cents</b>
<b>Dividends per share</b>	21	<b>3.2 cents</b>	<b>2.8 cents</b>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	NOTE	2022	2021
<b>CURRENT ASSETS</b>			
Cash on hand and at bank		\$ 1,130,514	385,643
Trade and other receivables	10	2,313,739	2,342,338
Inventories	11	18,088,087	13,439,144
Other investments	12(a)	805,151	781,144
<b>Total current assets</b>		<b>22,337,491</b>	<b>16,948,269</b>
<b>NON-CURRENT ASSETS</b>			
Equity investments	12(b)	55,000	145,000
Property, plant and equipment	13	23,746,107	23,395,195
Investment properties	14	56,804,400	53,736,429
Right-of-use asset	15	4,811,798	3,232,441
Deferred tax assets	9(c)	65,806	70,220
Advances	10	714,000	585,000
<b>Total non-current assets</b>		<b>86,197,111</b>	<b>81,164,285</b>
<b>TOTAL ASSETS</b>		<b>108,534,602</b>	<b>98,112,554</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	16	13,407,369	11,778,021
Lease liability	15	613,104	751,925
Interest bearing borrowings	17	5,790,408	7,504,691
Current tax liability	9(b)	272,815	99,394
Provisions	18	111,599	107,333
<b>Total current liabilities</b>		<b>20,195,295</b>	<b>20,241,364</b>
<b>NON-CURRENT LIABILITIES</b>			
Interest bearing borrowings	17	18,322,153	15,891,686
Lease liability	15	4,496,546	2,747,317
Deposits	19	349,386	327,915
Deferred tax liabilities	9(d)	3,581,369	3,384,410
<b>Total non-current liabilities</b>		<b>26,749,454</b>	<b>22,351,328</b>
<b>TOTAL LIABILITIES</b>		<b>46,944,749</b>	<b>42,592,692</b>
<b>NET ASSETS</b>		<b>61,589,853</b>	<b>55,519,862</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	20	15,000,000	15,000,000
Investment revaluation reserve		51,230	51,230
Retained earnings		46,538,623	40,468,632
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>\$ 61,589,853</b>	<b>55,519,862</b>

The above statement of financial position should be read in conjunction with the accompanying notes.

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



Director



Director

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	SHARE CAPITAL (\$)	INVESTMENT REVALUATION RESERVE (\$)	RETAINED EARNINGS (\$)	TOTAL (\$)
Balance at 1 July 2020	15,000,000	51,230	36,097,750	51,148,980
<b>Total Comprehensive Income</b>				
Profit for the year	-	-	8,570,882	8,570,882
Total comprehensive income	-	-	8,570,882	8,570,882
<b>Transactions with Owners of the Company</b>				
Dividends paid (note 21)	-	-	(4,200,000)	(4,200,000)
Total transactions with owners of the company	-	-	(4,200,000)	(4,200,000)
<b>Balance at 30 June 2021</b>	<b>15,000,000</b>	<b>51,230</b>	<b>40,468,632</b>	<b>55,519,862</b>
<b>Total Comprehensive Income</b>				
Profit for the year	-	-	10,959,991	10,959,991
Other comprehensive loss for the year	-	-	(90,000)	(90,000)
Total comprehensive income	-	-	10,869,991	10,869,991
<b>Transactions with Owners of the Company</b>				
Dividends paid (note 21)	-	-	(4,800,000)	(4,800,000)
Total transactions with owners of the company	-	-	(4,800,000)	(4,800,000)
<b>Balance at 30 June 2022</b>	<b>15,000,000</b>	<b>51,230</b>	<b>46,538,623</b>	<b>61,589,853</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 2022 2021

### Cash Flows from Operating Activities

Receipts from customers	\$	143,559,516	135,152,464
Payments to suppliers and employees		(131,412,167)	(119,357,152)
Cash generated from operations		12,147,349	15,795,312
Interest and other costs of finance paid, net		(1,284,460)	(1,121,054)
Income tax paid		(775,550)	(669,651)
Net cash provided by operating activities		10,087,339	14,004,607

### Cash Flows from Investing Activities

Payment for property, plant and equipment and investment properties		(4,469,712)	(7,775,215)
Proceeds from sale of property, plant and equipment		92,976	11,284
Dividends received		-	1,650
Payment for other investment		(805,151)	(758,577)
Proceed from other investment		805,151	758,577
Advances to related party		(129,000)	(75,000)
Repayment of advances by related parties		-	200,000
Net cash used in investing activities		(4,505,736)	(7,637,281)

### Cash Flows from Financing Activities

Advances repaid to related party		(750,000)	-
Proceeds from borrowings		4,275,443	3,321,920
Repayment of borrowings		(2,286,069)	(3,735,922)
Payment for lease liability		(752,916)	(805,043)
Dividends paid		(4,800,000)	(4,200,000)
Net cash used in financing activities		(4,313,542)	(5,419,045)

### Net increase in cash and cash equivalents

		1,268,061	948,281
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Cash and cash equivalents at the beginning of the financial year		(2,609,048)	(3,557,329)
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Cash and cash equivalents at the end of the financial year	25(a)	\$	(1,340,987)	(2,609,048)
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The above statement of cash flows should be read in conjunction with the accompanying notes.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1. GENERAL INFORMATION

#### a) Corporate Information

RB Patel Group Limited (the company) is a limited liability company incorporated and domiciled in Fiji. The company is listed on the South Pacific Stock Exchange. The address of its registered office and principal place of business is located at RB Patel CentrePoint Building, Ratu Dovi Road, Laucala Beach Estate, Nasinu.

#### b) Principal Activities

The principal activities of the company during the year were that of retailing and wholesaling of general merchandise, owners and administrators of properties and equity investments. The company operates ten supermarket stores throughout the country.

There were no significant changes in the nature of these activities during the financial year.

### NOTE 2. BASIS OF PREPARATION

#### a) Basis of Preparation

The financial statements of RB Patel Group Limited have been prepared on the basis of historical cost convention, except for the revaluation of financial assets, investment properties at fair value, and revaluation of certain non-current assets which were taken as "deemed cost" on transition to IFRS during the year ended 31 March 2007. Cost is based on the fair values of the consideration given in exchange for goods and services.

In the application of IFRS, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the future periods are disclosed, where applicable, in the relevant notes to the financial statements.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are critical to the financial statements are disclosed in note 5.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

#### b) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and with the requirements of the Companies Act, 2015.

#### c) Comparatives

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

#### d) Basis of Accounting - Going Concern

The financial statements of the Company has been prepared on a going concern basis. The directors consider the application of the going concern principle to be appropriate in the preparation of these financial statements as they believe with the plans and strategies put in place by the Company and together with the ongoing support of the shareholders, the Company will generate and maintain the required funding to meet its liabilities and commitments as and when they fall due over the next twelve months.

#### e) Changes in Accounting Policies

##### (i) New standards, interpretations and amendments effective during the year

One new standard impacting the company that have been adopted in the annual financial statements for the year ended 30 June 2022:

- Amendments to IFRS 16 COVID-19 Related Rent Concession beyond 30 June 2021.

New and amended standards that have been adopted in the annual financial statements for the year ended 30 June 2022, but have not had a significant effect on the company are:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16 Interest Rate Benchmark Reform – IBOR 'phase 2'.

##### (ii) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the company has decided not to adopt early.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 2. BASIS OF PREPARATION (CONT'D)

#### e) Changes in Accounting Policies (cont'd)

##### (ii) New standards, interpretations and amendments not yet effective (cont'd)

The following amendments are effective for the period beginning 1 July 2022:

- Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract;
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use;
- Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 Annual Improvements to IFRS Standards 2018-2020; and
- Amendments to IFRS 3 References to Conceptual Framework.

The following amendments are effective for the period beginning 1 July 2023:

- Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies;
- Amendments to IAS 8 Definition of Accounting Estimates;
- Amendments to IAS 12 Deferred Tax Related to Assets and Liabilities arising from a Single Transaction; and

The company is currently assessing the impact of these new accounting standards and amendments. The company does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the company.

### NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the company are stated to assist in a general understanding of these financial statements. The accounting policies adopted are consistent with those of the previous year except as stated otherwise.

#### a) Property, Plant and Equipment

Property, plant and equipment are measured at cost and deemed cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including buildings and leasehold land but excluding freehold land. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period.

Freehold land is not depreciated. Other property, plant and equipment is depreciated on a straight-line basis over its estimated useful life using the following rates:

Leasehold lands	Terms of leases
Buildings	1.25% - 2.50%
Furniture, fittings and office equipment	12% - 40%
Motor vehicles	18% - 25%

Buildings on leasehold land are depreciated using the straight-line method over their estimated useful lives or the remaining period of the lease whichever is shorter.

Profits and losses on disposal of property, plant and equipment are taken into account in determining the results for the year. Capital work in progress principally relates to costs incurred in respect of property construction. Capital work in progress is not depreciated.

#### b) Investment Properties

Investment properties principally comprising freehold land, leasehold land and building are held to earn rentals and/or for capital appreciation, are measured initially at its cost including transaction costs.

Subsequent to initial recognition, investment properties are stated in the statement of financial position at fair values, less any subsequent impairment losses. Gains and losses arising from changes in the fair value of investment properties are included in the statement of profit or loss in the period in which they arise. Valuations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

The company uses valuation techniques that include valuation assessment and estimates based on observable and unobservable market data and observable internal financial data to estimate the fair value of investment properties. Note 14 provides detailed information about the key assumptions used in the determination of the fair value of investment properties.

Investment properties are derecognised when either it has been disposed or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are taken into consideration in determining the results for the period.

#### c) Impairment of Non - Financial Assets

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### c) Impairment of Non - Financial Assets (cont'd)

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### d) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on actual cost on first in first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Cost includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location.

Provisions for inventory obsolescence are raised based on a review of inventories. Inventories considered obsolete or un-saleable are written off in the period in which they are identified. The management's decision in maintaining provision for stock obsolescence requires judgment and estimates of future realisable values in relation to slow moving and old inventories.

#### e) Financial Instruments

##### (i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

##### (ii) Classification and subsequent measurement

###### Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- 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.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

###### Financial assets: Business model assessment

The company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the company's management;

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### e) Financial Instruments (cont'd)

##### (ii) Classification and subsequent measurement (Cont'd)

###### Financial assets: Business model assessment (Cont'd)

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

###### Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

###### Financial assets: Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the company changes its business model for managing financial assets.

###### Financial assets: Subsequent measurement and gains and losses

###### Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

###### Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

##### (iii) Derecognition

###### Financial assets

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

###### Financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. 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.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### e) Financial Instruments (Cont'd)

##### (iv) Modifications of financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (3(e)(iii))) and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower (see (3(f))), then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income (see (3(u))).

##### (v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### f) Impairment of Financial Instruments

The company recognises loss allowances for ECLs on financial assets measured at amortised cost. No impairment loss is recognised on equity investment.

The company measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

##### Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive); and
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.

ECLs are discounted at the effective interest rate of the financial asset.

##### Credit-impaired financial assets

At each reporting date, the company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### f) Impairment of Financial Instruments (Cont'd)

*Presentation of allowance for ECL in the statement of financial position*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset.

*Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

#### g) Cash and Cash Equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise cash on hand and cash in banks, net of outstanding bank overdrafts. Bank overdrafts are shown within interest bearing borrowings in current liabilities in the statement of financial position.

#### h) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

#### i) Trade and Other Payables

Trade and other payables are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### j) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

#### k) Employee Benefits

*Wages and salaries*

Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are accrued up to the reporting date.

*Annual leave and sick leave*

The liability for annual leave is recognised in the provision for employee benefits. Liabilities for annual leave are expected to be settled within 12 months of the reporting date and are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates prevailing at that time.

*Defined contribution plans*

Contributions to Fiji National Provident Fund are expensed when incurred.

#### l) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### m) Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

*Current Tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### m) Income Tax (Cont'd)

##### *Deferred Tax*

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset and liability giving rise to them are realised or settled, based on tax rates and tax laws that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

##### *Current and Deferred Tax for the year*

Current and deferred tax is recognised as an expense or income in the statement of profit or loss, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity.

##### *Capital Gains Tax*

Capital Gains Tax (CGT) is applicable on capital gains realised on disposal of certain 'non-depreciable capital assets' as set out in the Income Tax Act. Accordingly, where these capital assets are stated at fair value, a corresponding deferred tax liability is recognised on surplus / gain on valuation of non-depreciable capital assets at the rate of 10%.

#### n) Value Added Tax

Revenues, expenses, liabilities and assets are recognised net of the amount of Value Added Tax (VAT), except:

- (i) where the amount of VAT incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (ii) for receivables and payables which are recognised inclusive of VAT.

The amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

The VAT component of cash flows arising from operating and investing activities which is recoverable from or payable to, the taxation authority is classified as operating cash flows.

#### o) Foreign Currency

##### *Functional and Presentation Currency*

The company operates in Fiji and hence the financial statements are presented in Fiji dollars, which is the company's functional and presentation currency.

##### *Transactions and Balances*

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Exchange differences are recognised in the statement of profit or loss in the period in which they arise.

#### p) Leases

At inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the company has the right to direct the use of the asset. The company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the company has the right to direct the use of the asset if either:
  - the company has the right to operate the asset; or
  - the company designed the asset in a way that predetermines how and for what purpose it will be used.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### p) Leases (Cont'd)

This policy is applied to contracts entered into, or changed, on or after 1 July 2017. At inception or on reassessment of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

##### **Policy applicable as a lessee**

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if the company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in the statement of financial position (refer note 15).

##### **Short-term leases and leases of low-value assets**

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Assets held under other leases were classified as operating leases and were not recognised in the company and the company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

##### **Policy applicable as a lessor**

When the company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the company applies IFRS 15 to allocate the consideration in the contract.

The company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### q) Revenue

The company recognises revenue from selling goods or services to customers at an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services. Revenue is recognised at an amount that reflects the consideration that the company is expected to be entitled to in exchange for transferring goods or services to a customer, using a five-step model for each revenue stream as prescribed in IFRS 15. The five-step model is as follows:

- Identification of the contract;
- Identification of separate performance obligations for each good or service;
- Determination of the transaction price;
- Allocation of the price to performance obligations; and
- Recognition of revenue.

Revenue recognition with respect to the company's specific business activities are as follows:

#### **Sale of Goods**

The majority of the company's revenue is derived from selling goods with revenue recognised at a point in time when possession of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the company no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

Sales revenue represent revenue earned from the sale of merchandise and is stated net of returns, trade allowances and Value Added Tax.

#### **Rental Income**

Rental income is recognised on straight line basis over the lease term.

Rental income represents income earned from renting out of building space and is stated net of Value Added Tax.

#### **Dividend Income**

Dividend income from investments is recognised when the shareholder's right to receive payment is established.

#### **Interest Income**

Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial assets.

#### r) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use of sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

#### s) Earnings Per Share

##### *Basic earnings per share*

Basic earnings per share (EPS) is determined by dividing profit after income tax attributable to members of the company by the weighted average number of ordinary shares outstanding during the year.

##### *Diluted earnings per share*

Diluted EPS is the same as the basic EPS as there are no ordinary shares which are considered dilutive.

#### t) Dividend Distribution

Dividend declared but not distributed is recognised as a liability in the company's financial statements in the period in which the dividend is declared by the company's directors.

#### u) Finance Income and Finance Costs

The company's finance income and finance costs include:

- interest income on advances;
- bank and loan administration charges;
- Interest expense on borrowings;
- impairment losses (and reversals) on investments in debt securities carried at amortised cost; and
- Interest expense on lease liabilities.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### u) Finance Income and Finance Costs (Cont'd)

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

#### v) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

#### w) Segment Reporting

##### Operating Segment

An operating segment is a component of the company which may earn revenue and incur expenses and the operating results are regularly reviewed by the directors of the company to make decisions about resources to be allocated to the segments and assess its performance. The company has identified supermarket segment and rental segment as two major reportable operating segments.

The accounting policies adopted for segment reporting are the same accounting policies adopted for preparing and presenting financial statements of the company.

##### Geographic Segment

A geographical segment constitutes the provision of products or services within a particular economic environment that are subject to risks and return that are different from those of segments operating in other economic environments.

The company predominantly operates in Fiji and business from outside Fiji is not material. Accordingly, the company is in one geographical area for reporting purposes.

The segment reporting has been disclosed under note 27.

### NOTE 4. RISK MANAGEMENT

#### 4.1 Financial risk factors

The company's activities expose it to a variety of financial risks: market risk (foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

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

Risk management is carried out by executive management. Executive management identifies, evaluates and monitors financial risks in close co-operation with the operating units. The board provides policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

#### a) Market risk

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

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 4. RISK MANAGEMENT (CONT'D)

#### 4.1 Financial risk factors (Cont'd)

##### a) Market risk (Cont'd)

Unfavourable changes to duty and tax regulations may expose the company to a decline in revenues. To minimise this risk, the company implements appropriate strategies to ensure that products and prices remain attractive. The company operates in Fiji and changes to Governments and the policies they implement affect the economic situation and ultimately the revenue of the company. To address this, the company reviews its pricing and product range regularly and responds appropriately to these changes.

##### (i) Foreign exchange risk

The company undertakes transactions denominated in foreign currencies. Consequently, exposures to exchange rate fluctuation. Exchange rate exposures are managed within approved policy parameters. Major foreign exchange transactions relates to importation of goods of which settlement is based on spot rates. Foreign currency risk arises from recognised assets and liabilities that are denominated in a currency that is not the company's functional currency (refer note 3(o)). As a measure, the company negotiates competitive rates with its bankers to minimise losses and maximise gains when foreign exchange receipts and payments become due.

The carrying amount of the company's significant foreign currency denominated monetary liabilities (aggregating over \$100,000) at the end of reporting period are as follows:

	<b>Liabilities</b>	
	<b>2022</b> F\$	<b>2021</b> F\$
US Dollars	1,286,045	1,568,331
NZ Dollars	432,509	150,380

Changes in the exchange rate by 10% (increase and decrease) are not expected to have a significant impact on the net profit and equity balances currently reflected in the company's financial statements.

##### (ii) Interest rate risk

The company has significant interest-bearing borrowings. Borrowing from banks are at variable interest rates. This exposes the company to interest rate risk. These risks are managed closely by the directors and the management within the approved policy parameters. For additional borrowings, the company negotiates an appropriate interest rate with banks and other lenders with the board approval and borrows from banks and other financial institutions which offers the overall favourable terms, including the interest rate. Changes in the interest rate by 1% (increase and decrease) are not expected to have a significant impact on the net profit and equity balances currently reflected in the company's financial statements.

The carrying amounts of the company's financial instruments that are exposed to interest rate risk as at 30 June 2022 and 2021 are summarized below:

<b>Financial Instruments</b>	<b>LESS THAN 1 YEAR</b> (\$)	<b>1 YEAR AND OVER</b> (\$)	<b>TOTAL</b> (\$)
<b>At 30 June 2022</b>			
<b>Financial liabilities:</b>			
Bank overdraft	2,471,501	-	2,471,501
Bank loans	2,318,907	18,322,153	20,641,060
Advances	1,000,000	-	1,000,000
<b>Total financial liabilities</b>	<b>5,790,408</b>	<b>18,322,153</b>	<b>24,112,561</b>
<b>At 30 June 2021</b>			
<b>Financial liabilities:</b>			
Bank overdraft	2,994,691	-	2,994,691
Bank loans	2,760,000	15,891,686	18,651,686
Advances	1,750,000	-	1,750,000
<b>Total financial liabilities</b>	<b>7,504,691</b>	<b>15,891,686</b>	<b>23,396,377</b>

##### b) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The company's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management on a regular basis.

Trade accounts receivable consist of a large number of customers, spread across geographical areas. Ongoing credit evaluations are performed on the financial condition of accounts receivables.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 4. RISK MANAGEMENT (CONT'D)

#### b) Credit Risk (Cont'd)

The company does not have any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the company's maximum exposure to credit risk.

Impairment losses on financial assets recognised in profit or loss were as follows.

	2022	2021
Impairment loss on trade and other receivables	\$ 16,979	4,030

#### Trade and other receivables

##### Expected credit loss assessment for trade and other receivables as at 30 June 2022

The company uses an allowance matrix to measure the ECLs of Trade receivables from individual customers, which comprise a large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

The following table provides information about the exposure to credit risk and ECLs for Trade receivables and rent receivables from individual customers as at 30 June 2022:

	WEIGHTED- AVERAGE LOSS RATE	GROSS CARRYING AMOUNT (\$)	LOSS ALLOANCE (\$)	CREDIT IMPAIRED
<b>30 June 2022</b>				
Current (not past due)	0.39%	704,762	2,772	No
30 days past due	1.06%	310,763	3,281	Yes
60 days past due	2.55%	158,046	4,037	Yes
More than 90 days past due	67.40%	398,759	268,778	Yes
		1,572,330	278,868	

Loss rates are based on actual credit loss experience over the past two years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the company's view of economic conditions over the expected lives of the receivables. Scalar factors are based on actual and forecast GDP.

##### Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables during the year was as follows.

<b>Balance at 1 July</b>	261,889	257,859
Net remeasurement of loss allowance	16,979	4,030
<b>Balance at 30 June</b>	\$ 278,868	261,889

#### Cash on hand and at bank

The company held cash of \$1,130,514 at 30 June 2022 (2021: \$385,643). Cash are held with bank and financial institution counterparties, which have sound credit ratings.

The company considers that its cash have low credit risk based on the external credit ratings of the counterparties.

#### c) Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations for its financial liabilities. Prudent and careful management of the company's liquidity position is essential in order to ensure that adequate funds are available to meet the company's ongoing financial obligations.

The table below analyses the company's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 4. RISK MANAGEMENT (CONT'D)

#### c) Liquidity Risk (Cont'd)

Financial Liabilities	Contractual cash flows					CARRYING AMOUNT (\$)
	LESS THAN 1 YEAR (\$)	BETWEEN 1 AND 2 YEARS (\$)	BETWEEN 3 AND 5 YEARS (\$)	OVER 5 YEARS (\$)	TOTAL (\$)	
<b>At 30 June 2022</b>						
Bank loans	3,060,000	3,060,000	8,876,311	9,594,307	24,590,618	20,641,060
Advances	1,020,000	-	-	-	1,020,000	1,000,000
Bank overdraft	2,471,501	-	-	-	2,471,501	2,471,501
Trade and other payables	13,407,369	-	-	-	13,407,369	13,407,369
Lease liability	852,322	672,322	2,016,966	3,684,719	7,226,329	5,109,650
<b>At 30 June 2021</b>						
Bank loans	3,542,169	3,677,233	6,420,549	8,208,837	21,848,788	18,651,686
Advances	1,770,000	-	-	-	1,770,000	1,750,000
Bank overdraft	2,994,691	-	-	-	2,994,691	2,994,691
Trade and other payables	11,778,021	-	-	-	11,778,021	11,778,021
Lease liability	905,120	538,659	717,318	2,983,513	5,144,610	3,499,242

Non-derivative financial assets	CARRYING AMOUNT (\$)	Contractual cash flows					
		TOTAL (\$)	ON DEMAND (\$)	UP TO 1 YEAR (\$)	1-2 YEARS (\$)	2-5 YEARS (\$)	MORE THAN 5 YEARS (\$)
<b>30 June 2022</b>							
Other Investments	805,151	805,151	-	805,151	-	-	-
Financial Assets	55,000	55,000	-	-	-	-	55,000
Trade and other receivables	2,313,739	2,313,739	2,313,739	-	-	-	-
Cash at bank	1,130,514	1,130,514	1,130,514	-	-	-	-
Advances	714,000	714,000	-	129,000	585,000	-	-
<b>30 June 2021</b>							
Other Investments	781,144	781,144	-	781,144	-	-	-
Financial Assets	145,000	145,000	-	-	-	-	145,000
Trade and other receivables	2,342,338	2,342,338	2,342,338	-	-	-	-
Cash at bank	385,643	385,643	385,643	-	-	-	-
Advances	585,000	585,000	-	-	-	585,000	-

#### d) Other Risks

##### (i) Operational risk

Operational risk is the risk of loss arising from systems failure, human error, and fraud to external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial crisis. The company cannot expect to eliminate all operational risk, but through a control framework and by monitoring and responding to potential risks, the company is able to manage risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment procedures.

##### (ii) Regulatory risk

The company's profitability can be impacted by regulatory agencies established which govern the business sector in Fiji. Specifically retail and wholesale prices of various products are regulated by the Fijian Competition & Consumer Commission.

Also, the salaries and wages payable to workers are subject to the Wages Regulations 2017 and the Employment Relations Act.

#### 4.2 Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 4. RISK MANAGEMENT (CONT'D)

#### 4.2 Capital risk management (Cont'd)

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and/or sell assets to reduce debt.

The company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratios at 30 June 2022 and 2021 were as follows:

	2022	2021
Total borrowings (note 17)	\$ 24,112,561	23,396,377
Less: Cash on hand and at bank	(1,130,514)	(385,643)
Net debt	22,982,047	23,010,734
Total equity	61,589,853	55,519,862
Total capital (Equity + Net debt)	84,571,900	78,530,596
Gearing ratio % (Net debt / Total capital)	27%	29%

#### 4.3 Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The carrying values of financial liabilities are estimated to approximate their fair values.

### NOTE 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In application of the company's accounting policies, which are described in note 3, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year and have been disclosed under the following notes to the financial statements:

Note 3(a)	-	Depreciation of property, plant and equipment
Note 3(b)	-	Fair value measurement of investment properties
Note 3(d)	-	Provision for stock obsolescence
Note 3(f)	-	Impairment of Financial Instruments
Note 3(m)	-	Deferred tax assets and liabilities

### NOTE 6. OTHER INCOME

Rental revenue	3,236,450	2,857,286
Gain on disposal of plant and equipment	92,976	11,282
Dividends – non related entity	-	1,650
Commission	1,080	1,058
Miscellaneous income	64,938	102,467
<b>Total other income</b>	<b>\$ 3,395,444</b>	<b>2,973,743</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 7. FINANCE COST / (INCOME) - NET

	2022	2021
(a) Finance income:		
- Interest income on deposits and advances	\$ (84,157)	(63,627)
(b) Finance cost:		
- Bank and loan administration charges	302,583	240,839
- Interest expense - borrowings	808,051	687,769
- Interest expense - lease liability	233,976	233,145
Total finance costs	<b>1,344,610</b>	<b>1,161,753</b>

Borrowing costs amounting to \$138,739 (2021: \$375,854) was capitalized to investment properties (note 14).

### NOTE 8. PROFIT BEFORE INCOME TAX

Profit before income tax has been arrived at after charging the following expenses:

Auditor's remuneration for:		
- Audit fees	50,000	44,000
- Other services	3,500	7,150
Directors fees	50,000	50,000
Wages & Salaries, FNPF and training levy	7,561,379	6,988,593
Management fees	5,614,509	4,773,343

### NOTE 9. INCOME TAX

#### a) Income Tax Expense

The prima facie tax payable on profit is reconciled to the income tax expense as follows:

Profit before income tax	12,110,335	9,486,106
Prima facie tax thereon at 10%	1,211,034	948,611
Tax effect of permanent differences:		
Non-deductible expenses	1,963	174,156
Non-taxable income	-	(165)
Income tax deductions and concessions	(63,327)	(177,388)
Under provision for income tax expense in prior year	674	(29,990)
Income tax expense attributable to profit	<b>1,150,344</b>	<b>915,224</b>
Income tax expense comprises movements in:		
Current tax liability	948,971	694,890
Deferred tax liabilities	196,959	205,329
Deferred tax assets	4,414	15,005
	<b>1,150,344</b>	<b>915,224</b>

#### b) Current Tax Liability

Balance at the beginning of the year	(99,394)	(44,165)
Income tax paid	775,550	669,651
Under/(over) provision of income tax in the prior year	778	(29,990)
Income tax liability for the current year	(949,749)	(694,890)
Balance at the end of the year	\$ (272,815)	(99,394)

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 9. INCOME TAX (CONT'D)

2022

2021

#### c) Deferred Tax Assets

Deferred tax assets comprise the estimated future benefit at future income tax rate of 10% of the following items:

Difference between Right of Use Asset and Lease Liability	\$	29,785	33,298
Provision for employee entitlements		8,134	10,733
Allowance for impairment loss on receivables		27,887	26,189
Balance at the end of the year		65,806	70,220

#### d) Deferred Tax Liabilities

Deferred tax liabilities comprise the estimated expense at future income tax rate and capital gains tax rate of 10% of the following items:

Difference in net carrying value of property, plant and equipment and investment properties for accounting and income tax purpose		3,495,731	3,301,173
Capital gains tax (at the rate of 10%) on the fair value gain on equity investments		5,123	5,123
Cyclone reserve deposit		80,515	78,114
Balance at the end of the year		3,581,369	3,384,410

### NOTE 10. TRADE AND OTHER RECEIVABLES

#### Current

Trade receivables (a)		1,263,116	1,157,246
Allowance for impairment loss		(278,868)	(261,889)
		984,248	895,357
Other receivables		384,539	573,658
Deposits		460,896	452,796
Prepayments		484,056	420,527
Total current trade and other receivables		2,313,739	2,342,338

#### Non – Current

Advances to Life Cinema Pte Limited (b)		1,852,691	1,723,691
Allowance for impairment loss on advances to Life Cinema Pte Limited		(1,723,691)	(1,723,691)
Advances to Sunergise (Fiji) Pte Limited (c)		585,000	585,000
Total non-current advances	\$	714,000	585,000

- a) Trade receivables principally comprise amounts outstanding for sale of merchandise goods. Trade receivables are non-interest bearing and are generally settled on 7 – 60 days term
- b) Advances to fellow subsidiary, Life Cinema Pte Limited (Life Cinema) amounting to \$1,852,691 (2021: \$1,723,691) is not subject to interest. Based on the financial status together with the outlook for the foreseeable future of Life Cinema, the company has impaired advances to Life Cinema Pte Ltd of \$1,723,691 in prior year. Advance amounting to \$129,000 given during the year is deemed recoverable and is not expected to be received in next 12 months.
- c) Advance provided to Sunergise (Fiji) Pte Limited is for funding of the installation of solar panel system at Lautoka, CentrePoint and Harbour-Point supermarkets and RB Patel JetPoint complex. The advance has been provided to obtain competitive electricity rates. The advance is subject to fixed and variable interest rates for the term of 10 years. The advance is unsecured and the principal amount is repayable at the end of the term of 10 years in May 2024.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 10. TRADE AND OTHER RECEIVABLES

	2022	2021
Ageing of past due but not impaired trade accounts receivable and rent receivables:		
30 – 60 days	\$ 303,536	326,381
60 – 90 days	195,923	256,969
Over 90 days	246,365	35,863
Total past due unimpaired trade receivables and rent receivables	<u>745,824</u>	<u>619,213</u>

As of 30 June 2022 trade receivables of \$278,868 (2021: \$261,889) were considered impaired. The movement in allowance for impairment loss is as follows:

Movement in the allowance for impairment loss:

Balance at the beginning of the year	261,889	257,859
Impairment loss during the year	<u>16,979</u>	<u>4,030</u>
Balance as at 30 June	<u>278,868</u>	<u>261,889</u>

### NOTE 11. INVENTORIES

Finished goods	16,563,349	12,191,313
Goods in transit	<u>1,524,738</u>	<u>1,247,831</u>
Total inventories	<u>18,088,087</u>	<u>13,439,144</u>

Finished goods are generally stated at cost. The value of inventories carried at net realisable values as at the year end is insignificant. Inventories considered to be un-saleable or obsolete are written off in the period in which they are identified as un-saleable or obsolete.

### NOTE 12. FINANCIAL ASSETS

#### a) Other Investments

##### Current

Cyclone reserve deposit – Merchant Finance Pte Limited (at amortised cost)

805,151	781,144
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#### b) Equity Investments

##### Non-Current

Equity investments in unlisted entities - at FVOCI, net

<u>55,000</u>	<u>145,000</u>
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##### Reconciliation for equity investments

Opening balance	145,000	145,000
Change in fair value	<u>(90,000)</u>	<u>-</u>
Total equity investments, net	<u>\$ 55,000</u>	<u>145,000</u>

##### Equity securities designated as at FVOCI

Dividend income recognised during the year is disclosed in Note 6.

The investment of \$90,000 in equity of Life Cinema Pte Ltd has been fully impaired this year.

No strategic investments were disposed-off during 2022, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 13. PROPERTY, PLANT AND EQUIPMENT

	FREEHOLD LAND AT DEEMED COST (\$)	LEASEHOLD LAND AT DEEMED COST (\$)	BUILDINGS AT DEEMED COST (\$)	OFFICE EQUIPMENT AT COST (\$)	MOTOR VEHICLES AT COST (\$)	CAPITAL WORK IN PROGRESS (\$)	TOTAL (\$)
<b>Gross carrying amount</b>							
<b>Balance at 30 June 2020</b>	4,895,544	1,872,797	19,272,263	8,882,903	1,945,108	5,652	36,874,267
Additions	-	-	-	269,812	25,688	794,140	1,089,640
Disposals	-	-	-	-	(47,696)	-	(47,696)
Transfer	-	-	2,670	-	-	(2,670)	-
<b>Balance at 30 June 2021</b>	4,895,544	1,872,797	19,274,933	9,152,715	1,923,100	797,122	37,916,211
Additions	-	-	56,439	1,053,746	310,693	-	1,420,878
Disposals	-	-	-	-	(171,514)	-	(171,514)
Transfer	-	-	-	791,470	-	(791,470)	-
<b>Balance at 30 June 2022</b>	<b>4,895,544</b>	<b>1,872,797</b>	<b>19,331,372</b>	<b>10,997,931</b>	<b>2,062,279</b>	<b>5,652</b>	<b>39,165,575</b>
<b>Accumulated depreciation</b>							
<b>Balance at 30 June 2020</b>	-	648,357	4,102,146	7,490,311	1,346,026	-	13,586,840
Depreciation expense	-	32,962	276,572	415,684	256,654	-	981,872
Disposals	-	-	-	-	(47,696)	-	(47,696)
<b>Balance at 30 June 2021</b>	-	681,319	4,378,718	7,905,995	1,554,984	-	14,521,016
Depreciation expense	-	32,962	279,422	476,708	261,737	-	1,050,829
Disposals	-	-	-	-	(152,377)	-	(152,377)
<b>Balance at 30 June 2022</b>	-	<b>714,281</b>	<b>4,658,140</b>	<b>8,382,703</b>	<b>1,664,344</b>	-	<b>15,419,468</b>
<b>Net book value</b>							
<b>As at 30 June 2021</b>	<b>4,895,544</b>	<b>1,191,478</b>	<b>14,896,215</b>	<b>1,246,720</b>	<b>368,116</b>	<b>797,122</b>	<b>23,395,195</b>
<b>As at 30 June 2022</b>	<b>4,895,544</b>	<b>1,158,516</b>	<b>14,673,232</b>	<b>2,615,228</b>	<b>397,935</b>	<b>5,652</b>	<b>23,746,107</b>

Prior to April 2006, land and buildings were revalued by the directors based on independent valuation. Upon adoption of IFRS (effectively from April 2006), the company had elected the option provided under IFRS 1 to apply the cost model (deemed cost) for land and buildings previously re-valued, and accordingly, the cost value of land and buildings include revaluation increments amounting to \$2,637,335. In accordance with the security arrangements for borrowings from the bank, certain properties have been pledged as security (refer note 17).

### NOTE 14. INVESTMENT PROPERTIES

	FREEHOLD LAND (\$)	LEASEHOLD LAND (\$)	BUILDING (\$)	WORK IN PROGRESS (\$)	TOTAL (\$)
<b>Gross carrying amount</b>					
<b>Balance at 30 June 2020</b>	8,100,000	2,200,000	26,371,023	10,379,831	47,050,854
Additions	-	-	182,180	6,503,395	6,685,575
Transfers	-	-	13,841,040	(13,841,040)	-
<b>Balance at 30 June 2021</b>	8,100,000	2,200,000	40,394,243	3,042,186	53,736,429
Additions	-	-	305,786	2,762,185	3,067,971
Change in fair value	550,000	150,000	(700,000)	-	-
<b>Balance at 30 June 2022</b>	<b>8,650,000</b>	<b>2,350,000</b>	<b>40,000,029</b>	<b>5,804,371</b>	<b>56,804,400</b>

#### a) Investment Property Valuations

Investment properties are stated at fair values, less any subsequent impairment losses.

An independent valuation was carried out by the registered valuer, Lomara Associates, in June 2022 for investment properties of the company to assess the fair value of investment properties held by the company. The directors' and management work closely with the external valuer to establish the appropriate valuation techniques and inputs to the valuation model. The valuation methodology adopted by the valuer was Income Approach (direct capitalisation approach and discounted cash flow approach) except for the Reservoir Road, Suva property which was valued under the Market Approach.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 14. INVESTMENT PROPERTIES (CONT'D)

#### a) Investment Property Valuations (Cont'd)

Valuations are mainly based on Level 3 inputs. Valuer has used the base rentals as starting point and have adjusted for vacancy considering current occupancy levels in making the valuation assessments for all the properties.

The capitalisation rate used by the valuer is in the range of 7.5% to 9% for the purpose of all the valuations. For Jet Point valuation, 8% discount rate has been used in estimating the discounted cash flow for next 10 years.

Based on the independent valuation of 30 June 2022, the fair value of the investment properties on an overall basis reflects an increase of approximately \$600,000.

Based on the independent valuation and the internal assessments and sensitivity analysis carried out by the management and directors considering the global pandemic situation, uncertainty with tenancy and the general economic recovery for the valuation assessments, the management and directors are of the view that it is prudent and conservative, not to take an increase in values based on the current valuation assessment, and the carrying values in the books of account are assessed to be fair and reasonable requiring no valuation adjustment in books for the financial year ended 30 June 2022. A detailed review of investment property valuation will be done in the financial year June 2023 when Jet Point Stage 5 property is substantially tenanted.

#### b) Security Over Investment Properties

In accordance with the security arrangements for borrowings from the bank, JetPoint, Nadi and Harbour Point, Lami investment properties have been pledged as security (refer note 17).

#### c) Capitalisation of Borrowing Costs

Borrowing costs amounting to \$138,739 (2021: \$375,854) in relation to the construction of the Harbour Point building (2021: JetPoint Stage 5 Building and Harbour Point Stage 2 building) were capitalized to investment properties during the year.

### NOTE 15. LEASES

2022

2021

#### a) As a lessee

The company leases land and building. Information about leases for which the company is a lessee is presented below:

##### Right-of-use assets

Balance at 1 July	\$	3,232,441	4,114,052
Additions		2,464,401	-
Re-measurement of Market Point and Sigatoka building		-	65,964
Depreciation charge for the year		(885,044)	(947,575)
Balance at 30 June		4,811,798	3,232,441

##### Lease liabilities

##### Maturity analysis – contractual undiscounted cash flows

Less than one year		852,322	905,120
One to five years		2,689,288	1,255,977
More than five years		3,684,719	2,983,513

##### Total undiscounted lease liabilities at 30 June

7,226,329

5,144,610

##### Lease liabilities included in the statement of financial position at 30 June

Current		613,104	751,925
Non-current		4,496,546	2,747,317

5,109,650

3,499,242

##### Amounts recognised in profit or loss

Interest on lease liabilities		233,976	233,145
Variable lease payments not included in the measurement of lease liabilities		269,406	87,853

503,382

320,998

##### Amounts recognised in the statement of cash flows

Total cash outflow for leases	\$	752,916	805,043
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## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 15. LEASES (CONT'D)

#### a) As a lessee (Cont'd)

##### Real estate leases

The company leases land and buildings for its retail stores. The leases of retail stores typically run for a period of twelve to twenty years. The lease of land typically runs for a period of one to eighty six years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases provide for additional rent payments that are based on changes in local price indices.

The company sub-leases some of its properties under operating leases.

##### Extension options

Some leases of retail stores contain extension options exercisable by the company up to one year before the end of the non-cancellable contract period. Where practicable, the company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the company and not by the lessors. The company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

##### Rent concessions

Company has elected to apply the Amendment to IFRS 16 and practical expedient for the financial year ended 30 June 2022 and accordingly, the rent concessions received amounting to \$101,077 as a result of COVID-19 has been recorded as negative expense under operating expenses.

#### b) As a lessor

Lease income from lease contracts in which the company acts as a lessor is as below:

Operating lease	2022	2021
Lease income	\$ 3,236,450	2,857,286

The company leases out its investment property. The company has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 14 sets out information about the operating leases of investment properties.

Note 23(d) sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

### NOTE 16. TRADE AND OTHER PAYABLES

Trade payables	9,072,114	7,286,228
Other payables (a)	4,298,193	4,375,824
VAT payable	26,132	105,039
Dividends payable	10,930	10,930
	13,407,369	11,778,021

Trade payables principally comprise amounts outstanding for trade purchases and on-going costs. Trade payables are non-interest bearing and are normally settled on 30 – 60 days term.

(a) Other payables includes \$2,200,622 (2021: \$1,534,160) payable to the holding company. Other creditors also include payables to contractors and sub-contractors in respect to the construction of buildings and capital projects.

### NOTE 17. INTEREST BEARING BORROWINGS

#### Current

Bank overdrafts	2,471,501	2,994,691
Bank Loan – BSP Financial Group Limited (a)	662,155	-
Bank Loan – BSP Financial Group Limited (b)	511,753	-
Bank Loan – BSP Financial Group Limited (c)	597,606	-
Bank Loan – ANZ Banking Group Limited (d)	547,393	480,000
Bank Loan – ANZ Banking Group Limited (a)	-	720,000
Bank Loan – ANZ Banking Group Limited (b)	-	600,000
Bank Loan – Westpac Banking Corporation (c)	-	960,000
Advance from Fiji Television Limited (e)	1,000,000	1,750,000
<b>Total current borrowings</b>	<b>\$ 5,790,408</b>	<b>7,504,691</b>



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 17. INTEREST BEARING BORROWINGS (CONT'D)

2022

2021

#### Non-Current

Bank Loan – BSP Financial Group Limited (a)	\$	2,781,852	-
Bank Loan - BSP Financial Group Limited (b)		2,074,461	-
Bank Loan – BSP Financial Group Limited (c)		9,338,280	-
Bank Loan – ANZ Banking Group Limited (d)		4,127,560	1,638,590
Bank Loan – ANZ Banking Group Limited (a)		-	3,494,781
Bank Loan - ANZ Banking Group Limited (b)		-	2,481,671
Bank Loan – Westpac Banking Corporation (c)		-	8,276,644
<b>Total non-current secured borrowings</b>	\$	<b>18,322,153</b>	<b>15,891,686</b>

#### Reconciliation of movement of liabilities to cash flows from financing activities

	BORROWINGS (\$)	LEASE LIABILITIES (\$)	TOTAL (\$)
Balance at 1 July 2021	20,401,686	3,499,242	23,900,928
Additions to lease liability	-	2,464,401	2,464,401
<b>Changes from financing cash flows</b>			
Repayment of borrowings	(2,286,069)	-	(2,286,069)
Proceeds from borrowings	4,275,443	-	4,275,443
Repayment of related party	(750,000)	-	(750,000)
Rent concessions	-	(101,077)	(101,077)
Payment of lease liabilities	-	(752,916)	(752,916)
<b>Total changes from financing cash flows</b>	<b>1,239,374</b>	<b>(853,993)</b>	<b>385,381</b>
<b>Other changes – Liability related</b>			
Interest expense	808,051	233,976	1,042,027
Interest paid	(808,051)	(233,976)	(1,042,027)
<b>Total liability related other changes</b>	-	-	-
<b>Balance at 30 June 2022</b>	<b>21,641,060</b>	<b>5,109,650</b>	<b>26,750,710</b>

- (a) The loan has been taken for construction of Carpark and Retailing complex at JetPoint complex in Martintar, Nadi. The loan is subject to variable interest rate. Bank loan is payable at monthly repayments of \$65,000 plus interest.
- (b) The loan has been taken for construction of Apartment complex in Clarke Street, Suva. The loan is subject to variable interest rate. Bank loan is payable at monthly repayments of \$50,000 plus interest.
- (c) The loan has been taken for construction of a three level building at JetPoint complex in Martintar, Nadi. The loan is subject to variable interest rates. Bank loan is payable at monthly repayments of \$80,000 plus interest.
- (d) The loan has been taken for construction of a two level building at HarbourPoint complex in Lami. The loan is subject to variable interest rates. Bank loan is payable at monthly repayments of \$60,000 plus interest.
- (e) Advance from Fiji Television Limited, a fellow subsidiary company, is subject to interest at a competitive rate, unsecured and is repayable on demand.

During the year, loans from ANZ Banking Group Limited and Westpac Banking Corporation have been refinanced with BSP Financial Group Limited.

Particulars relating to secured borrowings:

The bank overdraft facility and bank loans (together with letter of credit and guarantee facilities) from BSP Financial Group Limited is secured by:

- (i) First Registered General Security Interest Agreement to be given by RB Patel Group Limited over all its rights, property and undertakings; of whatsoever kind and wherever situated. Whether present or after acquired. It includes its capital (called or uncalled and paid or unpaid capital).

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 17. INTEREST BEARING BORROWINGS (CONT'D)

(ii) Registered first mortgage over property (CT No. 7082) situated at Queens Road, Martintar, Nadi.

The bank loan (together with letter of credit and guarantee facilities) from ANZ Banking Group Ltd is secured by:

(i) Registered first mortgage over the property (CT No. 39150) situated at Queens Road, Suvavou, Lami.

The company did not have any defaults of principal or interest or other breaches with respect to its borrowings during the years ended 30 June 2022 and 2021.

### NOTE 18. PROVISIONS

	2022	2021
Employee benefits	\$ 111,599	107,333

### NOTE 19. DEPOSITS

Deposits from tenants	349,386	327,915
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### NOTE 20. SHARE CAPITAL

Issued and paid up capital 150,000,000 (2021: 150,000,000) ordinary shares	15,000,000	15,000,000
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Fully paid ordinary shares carry one vote per share and carry the right to dividends. There has been no movement in share capital during the year.

### NOTE 21. DIVIDENDS PAID, DECLARED OR PROPOSED

Interim dividend paid – 2 cents per share (2021: 1.5 cents)	3,000,000	2,250,000
Final interim dividend – 1.2 cents per share (2021: 1.3 cents)	1,800,000	1,950,000
	4,800,000	4,200,000
Dividends per share	3.2 cents	2.8 cents

### NOTE 22. EARNINGS PER SHARE

#### Basic and Diluted Earnings Per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

Operating profit after tax attributable to members	10,959,991	8,570,882
Weighted average number of ordinary shares for the purposes of basic earnings per share	150,000,000	150,000,000
Basic and diluted earnings per share	7.3 cents	5.7 cents

### NOTE 23. COMMITMENTS

#### a) Capital Expenditure Commitments

Capital expenditure commitment is in respect to construction of two level building at Harbour Point complex in Lami.

Approved by the board and committed	\$ 2,141,108	3,494,279
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#### b) Operating Lease Expenses

The company has classified the short term leases as operating leases because they do not transfer substantially all risks and rewards incidental to the ownership of the assets.

#### c) Management Fees

The management fees is payable to FHL Retailing Pte Limited (holding company), pursuant to Management Agreement dated 10 June 1999 and was for an initial period of 15 years effective from 1 April 1999 with option to renew for another 15 years. Upon expiry of the initial term of the management agreement in April 2015, the company renewed the management agreement for a further 15 years. The basis for computation of management fees has been disclosed under note 26 (e).

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 23. COMMITMENTS (CONT'D)

#### d) Operating Lease Income

Operating lease income relates to rental income from building spaces rented out.

##### Non-cancellable operating lease receivables

	2022	2021
Not later than one year	\$ 4,035,859	3,896,332
Later than one year but not later than five years	6,454,231	5,982,249
Later than five years	2,258,478	3,391,820
Total future rental income	<u>12,748,568</u>	<u>13,270,401</u>

#### e) Operating Lease Expense

Operating lease expense relates to rental expense from building spaces.

##### Non-cancellable operating lease payable

Not later than one year	567,948	-
Total future rental expense	<u>567,948</u>	<u>-</u>

### NOTE 24. CONTINGENCIES

#### Contingent Liabilities

Letters of credit	-	294,793
Indemnity guarantees	278,238	129,863
Total contingent liabilities	<u>278,238</u>	<u>424,656</u>

### NOTE 25. NOTES TO THE STATEMENT OF CASH FLOWS

#### a) Reconciliation of Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash on hand and at bank	1,130,514	385,643
Bank overdraft	(2,471,501)	(2,994,691)
Total cash and cash equivalents	<u>(1,340,987)</u>	<u>(2,609,048)</u>

#### b) Financing Facilities

Fully committed bank overdraft financing facilities available to the company at year end were as follows:

Bank overdraft – utilised	2,471,501	2,994,691
Bank overdraft – unutilised	9,628,499	8,807,309
	<u>\$ 12,100,000</u>	<u>11,802,000</u>

### NOTE 26. RELATED PARTY DISCLOSURES

#### a) Holding company and Ultimate Holding company

The holding company is FHL Retailing Pte Limited, a company incorporated in Fiji.

The ultimate holding company is Fijian Holdings Limited, a company incorporated in Fiji and listed on the South Pacific Stock Exchange (SPX).

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 26. RELATED PARTY DISCLOSURES (Cont'd)

#### b) Directors

The names of persons who were directors of the company at any time during the year are as follows:

Yogesh J Karan – Chairman  
Abilash Ram  
Surendra K Patel  
Kavin Rathod  
Michael Nacola  
Sereana Matakibau

#### c) Amounts due to and Receivable from Related Parties

Appropriate disclosure of these amounts is contained in the respective notes to the financial statements.

#### d) Transactions with Related Parties

Transactions with related parties during the year ended 30 June 2022 and 2021 with approximate transaction values are summarized as follows:

RELATED PARTY	RELATIONSHIP	NATURE OF TRANSACTION	2022 \$	2021 \$
FHL Retailing Pte Limited	Holding company	Management fees	5,614,509	4,771,343
Fiji Television Pte Limited	Fellow subsidiary	Advertising expense	55,403	67,675
Fiji Television Pte Limited	Fellow subsidiary	Interest expense	19,998	60,856
Basic Industries Pte Limited	Fellow subsidiary	Purchase of materials	48,184	-
Serendib Investment Pte Limited	Fellow subsidiary	Printing services	30,466	-
Merchant Finance Pte Limited	Fellow subsidiary	Interest received	24,007	19,648
Merchant Finance Pte Limited	Fellow subsidiary	Rent received	38,400	38,400
Marsh Pte Limited	Shareholder Related Entity	Gross insurance premium	529,625	523,990
Life Cinema Pte Limited	Fellow subsidiary	Rent income	46,000	40,250
Life Cinema Pte Limited	Fellow subsidiary	Sales	135,591	56,769
Life Cinema Pte Limited	Fellow subsidiary	Administrative support income	4,000	-
Life Cinema Pte Limited	Fellow subsidiary	Advances given	129,000	75,000
Life Cinema Pte Limited	Fellow subsidiary	Advances repaid	-	200,000

#### e) Management Fees

Management fees expense of \$5,614,509 (2021: \$4,773,343) was incurred for the year and was paid /payable to FHL Retailing Pte Limited. The management fees is payable pursuant to Management Agreement dated 10 June 1999. Upon expiry of the initial term of the management agreement in April 2015, the company renewed the management agreement for a further 15 years.

The Management Agreement provides for management fees based on turnover of the company and incentive fees based on the level of profit before income tax. FHL Retailing Pte Limited has engaged Tui Management Consulting LP of New Zealand (a firm in which director Surendra Patel has an interest) for the provision of consultancy services in relation to daily operation of RB Patel Group Limited.

#### f) 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.

Management fees was paid for the management services obtained during the year (refer note 26 (e)). FHL Retailing Pte Limited has engaged Tui Management Consulting LP of New Zealand (a firm in which director Surendra Patel has an interest) for the provision of consultancy services in relation to daily operation of RB Patel Group Limited.

During the year, in addition, Chief Operating Officer, Financial Controller, General Manager and Group Purchasing Officer were identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling the activities of the company.

The remuneration of the key management personnel during the year was as follows:

	2022	2021
Salaries and other benefits	\$ 561,476	568,729

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 26. RELATED PARTY DISCLOSURES (Cont'd)

#### g) Key Management Personnel Equity Holdings

Fully paid ordinary shares of RB Patel Group Limited

Direct interest in the share capital of the company by the key management personnel and executive directors is \$Nil (2021: \$Nil).

#### h) Directors Fees

Directors fees of \$50,000 (2021: \$50,000) was paid to the non-executive directors.

### NOTE 27. Segment Information

	SUPERMARKET (\$)	RENTAL (\$)	TOTAL (\$)
<b>30 June 2022</b>			
Sales and other revenue	140,152,328	3,236,450	143,388,778
Segment results	10,934,623	1,082,736	12,017,359
Gain on disposal of assets	92,976	-	92,976
Profit before income tax			12,110,335
Income tax expense			(1,150,344)
Profit after income tax			10,959,991
<b>Assets</b>			
Segment non-current assets	28,557,905	56,804,400	85,362,305
Other non-current assets			23,172,297
Total non-current assets			108,534,602
<b>30 June 2021</b>			
Sales and other revenue	132,525,631	2,857,286	135,382,917
Segment results	8,627,682	847,142	9,474,824
Gain on disposal of assets	11,282	-	11,282
Profit before income tax			9,486,106
Income tax expense			(915,224)
Profit after income tax			8,570,882
<b>Assets</b>			
Segment non-current assets	26,627,636	53,736,429	80,364,065
Other non-current assets			17,748,489
Total non-current assets			98,112,554

#### Segment Assets and Liabilities

Current assets and current and non-current liabilities cannot be reasonably allocated between operating segments. Accordingly, this information has not been provided under segment information. Non-current assets noted above under 'Rental' are those stated as Investment Properties in Note 14 and relate to buildings that are exclusively rented to third parties. Properties where supermarkets are operated together with part of the buildings rented to third parties have not been able to be reasonably allocated between operating segments. Accordingly, this information has been provided under supermarket segment information.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 28. SIGNIFICANT EVENTS DURING THE YEAR

#### **The Impact of COVID-19 Global Pandemic**

Since the initial declaration of the pandemic in early 2020, Fiji and many countries including Fiji's key trading partners have experienced significant challenges. The initial impact of the pandemic was felt mainly in the tourism industry and wider impact to many other businesses due to border closure and high level of unemployment.

The virus had been contained until April 2021 when the delta strain of the virus was detected and started to rapidly spread in the community. This wave of the virus had a severe impact on the domestic economic activities due to restrictions on movement of people and prolonged closure of many businesses on Viti Levu especially in the Lami to Nausori containment zone, and continuing international border closure.

The easing of restrictions together with opening of international borders in late 2021 significantly improved the business conditions and economic outlook for Fiji. The recovery and improving economic activity levels have provided the impetus for business confidence.

### NOTE 29. Events Subsequent to Balance Date

In accordance with Income Tax (Rates of Tax and Levies) (Amendment) (No. 2) Regulations 2022, commencing from financial year ending 30 June 2024 (tax year 2023), the company will be subject to corporate income tax at the rate of 20%. Accordingly, the current corporate income tax rate of 10% will increase to 20% from financial year ending 30 June 2024.

This change in corporate income tax rate is expected to have significant impact with increase in deferred tax liabilities with corresponding reduction in retained earnings. Based on the preliminary calculations, the impact is estimated to be in the vicinity of \$3.5 million. In accordance with IFRS, the impact of this change will be brought to accounts during financial year ending 30 June 2023.

Apart from the above, no other matters or circumstance have arisen since the end of the financial year which would require adjustment to, or disclosure in, the financial statements.

### NOTE 30. Approval of Financial Statements

The financial statements were approved by the board of directors and authorised for issue on 24 August 2022.

## ADDITIONAL INFORMATION – SPX LISTING RULES INFORMATION (NOT INCLUDED ELSEWHERE IN THE ANNUAL REPORT)

### 1. Shareholding:

- a. As at 30 June 2022, directors held direct interest of Nil shares and indirect interest of Nil shares of the company.
- b. Distribution of shareholding:

Holding	No. of Holders	%Holding
0 - 500 shares	61	0.01
501 to 5,000 shares	150	0.27
5,001 to 10,000 shares	33	0.17
10,001 to 20,000 shares	37	0.37
20,001 to 30,000 shares	29	0.48
30,001 to 40,000 shares	3	0.08
40,001 to 50,000 shares	20	0.66
50,001 to 100,000 shares	13	0.62
100,001 to 1,000,000 shares	15	4.16
Over 1,000,000 shares	9	93.18
<b>Total</b>	<b>370</b>	<b>100</b>

- c. Top 20 shareholders

Name	No. of Shares	% of Total Shares
FHL Retailing Limited	76,118,980	50.74
iTaukei Trust Fund Board	20,000,000	13.33
Fiji National Provident Fund Board	14,239,175	9.49
BSP Life (Fiji) Limited	10,929,096	7.29
Unit Trust of Fiji (Trustee Company) Limited	5,652,175	3.77
FHL Media Limited	5,372,005	3.58
FHL Trustees Limited ATF Fijian Holdings Unit Trust	4,365,461	2.91
Kiritbhai Patel	2,000,000	1.33
Mahendra Patel	1,100,000	0.73
Kanu Patel	1,000,000	0.67
Kishori Patel	1,000,000	0.67
Vinod Patel	1,000,000	0.67
J.P Bayly Trust	553,325	0.37
Moala Tikina Council	500,000	0.33
Chimanbhai F/N Hirabhai Patel	482,500	0.32
FijiCare Insurance Limited	312,500	0.21
Pushpa Wati Kapadia	256,785	0.17
Punja & Sons Limited	250,000	0.17
Vikram Patel	250,000	0.17
Tappoo Pte Limited	150,000	0.10
Bipin Chandra	132,500	0.09
Vinod Trikam	129,400	0.09
Aruna Prasad Nagin	125,000	0.08
<b>Total</b>	<b>145,918,902</b>	<b>97.28</b>

## ADDITIONAL INFORMATION – SPX LISTING RULES INFORMATION (NOT INCLUDED ELSEWHERE IN THE ANNUAL REPORT) (CONT'D)

### 2. Share Price Details:

Highest share price during year was \$3.40.  
Lowest share price during year was \$2.95.  
Share price at year end was \$3.25.

### 3. Attendance at Board Meetings:

NAME	NO OF MEETING	NO ATTENDED
Yogesh J Karan	4	3
Surendra K Patel	4	4
Michael Nacola	4	4
Abilash Ram	4	4
Kavin Rathod	4	4
Sereana Matakibau	4	3

### 4. Attendance at Subcommittee Meetings

NAME	NO OF MEETING	NO ATTENDED
<b>Audit &amp; Risk Committee</b>		
Kavin Rathod (Chairperson)	2	2
Abilash Ram	2	2
Pretty Pritika	1	1

The **Human Relations Committee** did not meet during the year.

### 5. Share Register

Central Share Registry Pte Limited  
Shop 1-11  
Sabrina Building  
Victoria Parade  
Suva

### 6. Five Year Financial Review

	2022 \$	2021 \$	2020 \$	2019 \$	2018 \$
Revenue – Sales and Other Income	143,547,772	135,563,001	139,808,646	135,570,052	124,847,540
Profit before Depreciation and Tax	14,046,208	11,415,553	12,665,514	13,093,392	12,336,046
Depreciation	1,935,873	1,929,447	1,937,433	1,897,571	1,588,764
Income Tax Expense	1,150,344	915,224	1,047,536	1,115,719	1,084,760
Profit after Tax	10,959,991	8,570,882	9,680,545	9,662,522	9,662,522
Earnings per Share	0.073	0.057	0.065	0.068	0.064
Dividends per Share	0.032	0.028	0.014	0.038	0.034
Total Liabilities	46,944,749	42,592,692	43,592,943	41,177,907	35,510,294
Total Assets	108,534,602	98,112,554	94,741,923	88,646,342	78,298,627
Net Asset backing per Share	0.41	0.37	0.34	0.32	0.29
Shareholders' Funds	61,589,853	55,519,862	51,148,980	47,468,435	42,788,333



# RB PATEL GROUP LTD FIVE YEAR GRAPHICAL REVIEW

Revenue including other income (Millions \$)



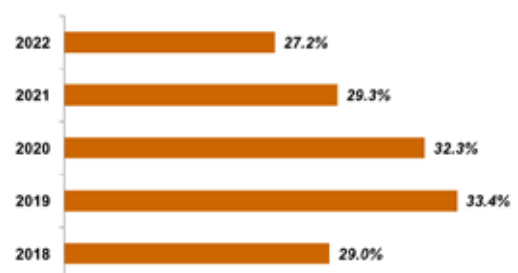
Profit from Operations (Millions \$)



Earnings Per Share (cents)



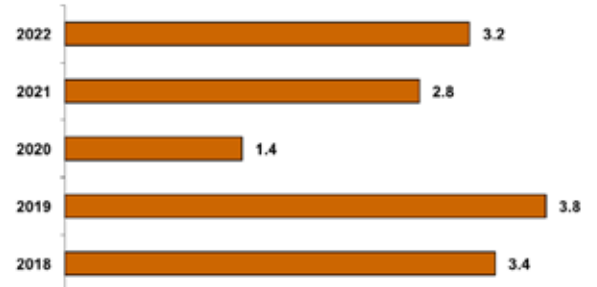
Gearing Ratio (%)



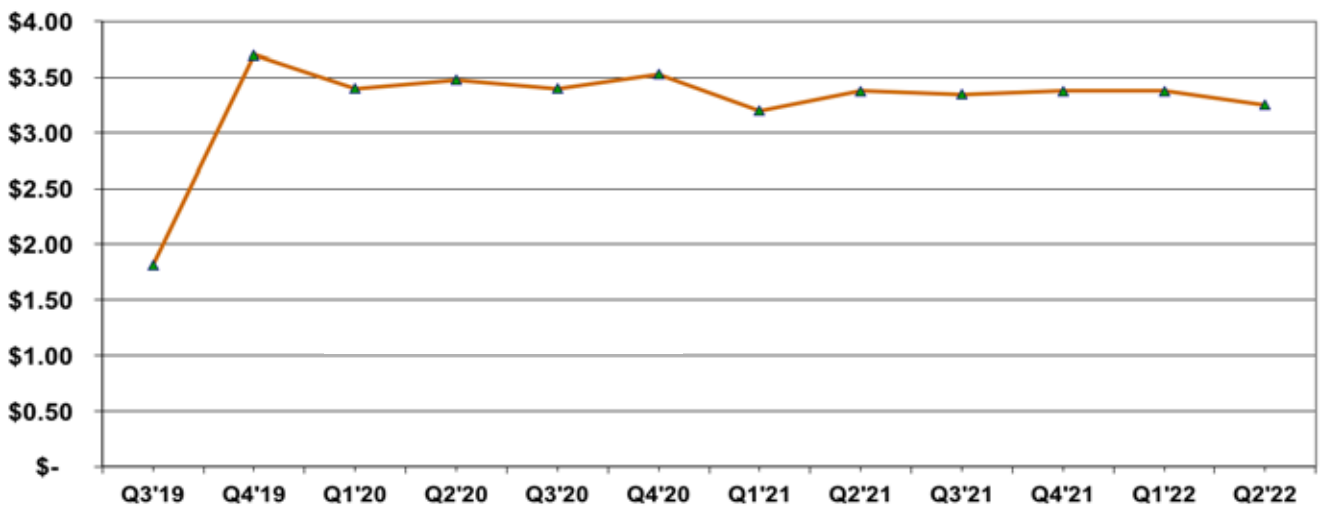
Net Profit After Tax (Millions \$)



Dividend Per Share (cents)



Share Price Movements



Note: Share prices have been adjusted for the 1:5 share split in November 2019



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## Contact us

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