

PRESS RELEASE

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SPX CELEBRATES INAUGURAL WHOLESALE CORPORATE BOND LISTING

The South Pacific Stock Exchange (SPX) today witnessed listing of the first-ever Wholesale Corporate Bond on its trading platform signifying a new era of development for the domestic capital market. The Wholesale Corporate Bond has been issued by Fijian Holdings Limited (FHL).

At the close of the offer period, FHL had successfully raised \$30,000,000 through the secured fixed rate Wholesale Corporate Bond issuance. The corporate bond was offered only to eligible investors under the Companies (Wholesale Corporate Bonds) Regulations 2021 for three terms of maturity and will pay interest rates of 3.00% per annum for 3 years bond, 3.50% per annum for 5 years bond and 3.75% per annum for 7 years bond. Relevant details are described below:

Issuer Name	Bond Identifier	Issue Date	Offer Amount	Coupon Rate	Term (months)	Maturity Date
Fijian Holdings Limited	FHLWCB30112025	30/11/2022	\$15,200,000	3.00%	36	30/11/2025
Fijian Holdings Limited	FHLWCB30112027	30/11/2022	\$10,800,000	3.50%	60	30/11/2027
Fijian Holdings Limited	FHLWCB30112029	30/11/2022	\$4,000,000	3.75%	84	30/11/2029

FHL is a publicly listed entity on the SPX since 1997 and is a principal investment firm directly investing in the manufacturing, building and construction, tourism, property, financial services, media and communications, and retail sectors. The proceeds from the Wholesale Corporate Bond offer is expected to assist in financing construction of the 18 storey FHL Tower, repay a portion of FHL's existing drawn bank debt providing some level of diversification of funding sources and tenor, as well as for related entity advances and for general corporate purposes.

Commenting on this momentous occasion, the SPX Acting Chief Executive Officer, Mr Pretesh Prasad said "we are extremely pleased to have achieved this milestone and enthusiastically welcome the first Wholesale Corporate Bond listing on the SPX platform. The Wholesale Corporate Bond Offering is in line with our strategic goal of increasing the multiplicity of investible products offered through our capital market which benefits both Fijian businesses by offering an alternative platform to raise capital as well as investors by providing a substitute



(L-R): SPX Acting CEO – Mr Pretesh Prasad, SPX Acting Chairman – Mr Salvin Nand, FHL Acting Chairman – Mr Yogesh Karan and FHL Group CEO – Mr Jaoji Koroj, during Plaque presentation at the Wholesale Corporate Bond listing ceremony

investment instrument with a predictable income stream and a mechanism to preserve capital. Corporate bond instruments can be structured in line with different financing requirements for a business with different maturities as such, the SPX urges other businesses to consider this alternative route to source funds which offers companies a conduit to diversify their capital raising options and at the same time reduces dependence on a single source of funding."


Mr Prasad while commending FHL for being a pioneer in issuing and listing the Wholesale Corporate Bond on the SPX platform clarified that companies do not necessarily have to be an existing SPX listed entity to issue Wholesale Corporate Bonds. An unlisted public company can also issue and list a Wholesale Corporate Bond as a standalone security on the SPX. He also emphasized on the incentives available for both issuers and investors. For issuers, a company whose corporate bond is listed on the SPX, shall be allowed a deduction of 150% on prescribed costs incurred for listing and additionally will be allowed a deduction of 150% on the interest payments made to the bondholders under the terms of issue of the corporate bond. For investors, interest income earned on corporate bonds traded on the SPX is exempt from withholding tax in the hands of the bondholder.

In conclusion, Mr Prasad thanked the Fijian Government for their continued stance on maintaining a favourable regulatory regime allowing the SPX to make progress towards such transformational initiatives and also whole heartedly acknowledged the technical assistance offered by the International Finance Corporation (IFC), a member of the World Bank Group towards the formulation of the necessary legal and regulatory framework to enable the setup of a Wholesale Corporate Bond market by the SPX as well as the establishment of a Trustee business. A special acknowledgement is also accorded to the industry regulator, the Reserve Bank of Fiji (RBF) for issuance of the Companies (Wholesale Corporate Bonds) Regulations 2021 which provides guidance to businesses wishing to raise funds through issue of corporate bonds to eligible investors and also for the general oversight and unwavering support towards the SPX in ensuring the success of this new initiative. A final word of appreciation is also echoed for BDO Corporate Finance (Fiji) Pte Limited for being the Financial Adviser and assisting FHL in structuring the Wholesale Corporate Bond offer concluding in a successful listing on the SPX today.

The success of FHL's Wholesale Corporate Bond issuance evidently demonstrates that such offerings can attract investors with an added benefit available where a subsequent listing on the SPX provides liquidity options to the bondholders.

The Central Share Registry Pte Limited (CSRL) and the SPX Trustees Limited (SPXT), the two SPX subsidiaries also play a critical role in this issuance whereby, CSRL is charged with the responsibility of providing bondholder registry services and facilitation of interest and principal payments while SPXT has been appointed by FHL to undertake the function of a Trustee representing the interest of its bondholders. In essence, this is a huge stride made by the SPX group that now presents itself as an evolving, progressive and dynamic business which fundamentally elevates our significance in the overall financial market structure.

The SPX wishes FHL and its bondholders all success in their listing and investment journey.



Pretesh Prasad
Acting Chief Executive Officer

-ENDS-

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