Free Bird Institute Limited & Subsidiary Company

FOR PUBLIC RELEASE

Market Announcement

This market announcement contains the unaudited financial results of Free Bird Institute Limited & Subsidiary Company for the six months period ended 30 June 2026. Where necessary, comparative results of the previous reporting periods have been re-classed to maintain consistency with the current period reporting. These half-year financial results were approved by the Board of Directors of Free Bird Institute Limited and authorised for issue on 31 August 2026.

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Hiroshi Taniguchi	Roqiqi Korodrau
Executive Chairman	Company Secretary

Free Bird Institute Limited & Subsidiary Company

Chief Financial Officer's Report

Free Bird Institute Limited is pleased to release its unaudited financial statements for the six-month period ended 30 June 2026.

It is important to explain that these are the first half-year financial statements in which Free Bird Institute Limited is presented as the parent company of the Free Bird Group. Accordingly, the 2026 results consolidate the financial performance and financial position of FBL's operations in Fiji with those of its subsidiary, South Pacific Free Bird Company Limited, in Japan.

The comparative figures for the six-month period ended 30 June 2025 relate only to FBL's standalone operations. Shareholders should therefore exercise caution when comparing the two periods, as the current-year results include the operations of the wider Group, whereas the comparative period does not.

For the six months ended 30 June 2026, the Group recorded total income, comprising service-fee revenue, in-house insurance revenue, other income and finance income, of approximately $2.80 million, compared with $1.68 million in the corresponding period of the previous year. This represents an increase of approximately $1.13 million, or 67.3%. The increase primarily reflects the consolidation of SPFB's operations into the Group's financial results.

As expected, consolidation also resulted in a significant increase in the Group's expenses. Total expenses increased by approximately $1.3 million when compared with the corresponding period of 2025. This reflects the inclusion of SPFB's personnel, direct operating and other expenses in the current reporting period.

The Group recorded an operating profit of $188,350, compared with $368,859 in the corresponding period of the previous year. After accounting for net finance costs, foreign-exchange movements and income tax, the Group recorded a net profit after tax of $95,452, compared with $277,930 in the prior corresponding period.

Management would also like to highlight that the prior-year result included approximately $120,000 earned from support services provided to the ABEMA movie production filmed in Fiji. As this was not a recurring source of income, it contributed to the stronger result reported for the six months ended 30 June 2025.

The Group continues to face challenging market conditions. Fiji must compete with English-study destinations that are geographically closer to Japan and therefore generally involve lower travel costs. This challenge has been further intensified by the continued weakness of the Japanese yen, which has increased the cost of travelling to and studying in Fiji for Japanese students.

Despite these challenges, the Board and Management remain optimistic about the Group's future. Following the completion of the takeover by Last Resort Co., Ltd. on 3 August 2026, FBL now has the support of a well-established Japanese company with extensive experience in the international education and overseas-study market.

Management expects Last Resort's marketing capabilities, industry experience and established presence in Japan to strengthen FBL's ability to reach prospective students and improve student enrolments over time. The Group will work closely with its new controlling shareholder to implement these initiatives and position FBL for sustainable growth.

In terms of the balance sheet, the Group's net assets remained stable at approximately $12.59 million as at 30 June 2026, compared with $12.52 million as at 31 December 2025. This represents an increase of approximately $61,809, or 0.5%. Total liabilities decreased by $733,303, while the Group maintained a strong cash position of approximately $4.06 million.

Management would also like to draw shareholders' attention to the goodwill balance of approximately $9.49 million, which arose from FBL's acquisition of SPFB in the previous financial year.

The value of a service-based business is not necessarily reflected in its physical assets alone. It may also arise from its established operations, customer relationships, workforce, market presence and ability to generate future earnings. These factors contributed to the goodwill recognised upon the acquisition of SPFB.

In accordance with the applicable International Financial Reporting Standards, management will conduct the required annual impairment assessment later in the financial year. Based on information presently available, management remains satisfied with the carrying value of goodwill. However, the final conclusion will be determined through the formal impairment-testing process.

The Board and Management remain committed to improving the Group's financial performance, strengthening its operations and delivering long-term value to shareholders.

Thank you.

Roqiqi Korodrau
Chief Financial Officer

Free Bird Institute Limited & Subsidiary Company
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the 6 months period ended 30 June 2026

	For the 6 months period ended 30 June 2026 *(unaudited)* FJD	For the 6 months period ended 30 June 2025 *(unaudited)* FJD	Difference FJD	% Difference
Revenue from contracts with customers				
Service fees	2,488,844	1,354,536	1,134,308	83.7%
Cost of goods sold	(112,920)	-	(112,920)	
	2,375,924	1,354,536	1,021,388	75.4%
In-house insurance				
In-house insurance revenue	206,301	189,444	16,857	8.9%
In-house insurance service expenses	(16,551)	(120,703)	104,152	86.3%
In-house Insurance service result	189,750	68,741	121,009	176.0%
Other income	100,592	84,303	16,289	19.3%
	2,666,266	1,507,580	1,158,686	76.9%
Non - insurance expenses				
Direct operating expenses	(790,933)	(324,237)	(466,696)	(143.9%)
Depreciation	(145,891)	(108,221)	(37,670)	(34.8%)
Personnel expenses	(1,202,853)	(499,085)	(703,768)	(141.0%)
Other expenses	(338,239)	(207,178)	(131,061)	(63.3%)
Profit from operations	188,350	368,859	(180,509)	(48.9%)
Finance income	7,917	47,372	(39,455)	(83.3%)
Finance cost	(68,997)	(45,658)	(23,339)	(51.1%)
Net finance costs/income	(61,080)	1,714	(62,794)	(3663.6%)
Profit before tax	127,270	370,573	(243,303)	(65.7%)
Income tax expense	(31,818)	(92,643)	60,825	65.7%
Profit for the period	95,452	277,930	(182,478)	(65.7%)
Other comprehensive income, net of income tax	-	-		
Total comprehensive income for the period	95,452	277,930	(182,478)	(65.7%)
Basic and diluted earnings per share ($)	0.03	0.12	(0.09)	

Free Bird Institute Limited & Subsidiary Company
Consolidated Statement of financial position
As at 30 June 2026

	30-Jun-26	30-Jun-25	31-Dec-25	12 months movement	12 months - % Difference	6-month movement	6 months - % movement
Assets	$	$	$	$		$	
	(Unaudited)	*(Unaudited)*	*(Audited)*				
Current assets							
Cash and cash equivalents	4,064,787	1,157,741	3,918,160	2,907,046	251.1%	146,627	3.7%
Trade and other receivables	1,132,502	3,014,485	348,036	(1,881,983)	(62.4%)	784,466	225.4%
Term deposits	-	2,200,000	1,303,962	(2,200,000)	(100.0%)	(1,303,962)	(100.0%)
Current tax assets	-	20,719	-	(20,719)	(100.0%)	0	
Inventory	27,101	-	28,230	27,101		(1,129)	(4.0%)
Prepayments	1,323,146	7,811	1,034,647	1,315,335	16839.5%	288,499	27.9%
Total current assets	**6,547,536**	**6,400,756**	**6,633,035**	**146,780**	**2.3%**	**(85,499)**	**(1.3%)**
Non-current assets							
Trade and other receivables	100,984	100,984	721,259	-	0.0%	(620,275)	(86.0%)
Term deposits	97,169	95,126	26,474	2,043	2.1%	70,695	267.0%
Equity investments	22,680	21,800	22,600	880	4.0%	80	0.4%
Right-of-use assets	1,123,630	1,103,999	1,238,174	19,631	1.8%	(114,544)	(9.3%)
Property, plant and equipment	1,710,979	1,598,759	1,632,930	112,220	7.0%	78,049	4.8%
Deferred tax asset	19,359	21,151	19,359	(1,792)	(8.5%)	0	0.0%
Goodwill	9,494,819	-	9,494,819	9,494,819		0	0.0%
Total non-current assets	**12,569,620**	**2,941,819**	**13,155,615**	**9,627,801**	**327.3%**	**(585,995)**	**(4.5%)**
Total assets	**19,117,156**	**9,342,575**	**19,788,650**	**9,774,581**	**104.6%**	**(671,494)**	**(3.4%)**
Liabilities							
Current liabilities							
Trade and other payables	32,093	454,671	572,828	(422,578)	(92.9%)	(540,735)	(94.4%)
Current tax liabilities	33,929	92,643	151,782	(58,714)	(63.4%)	(117,853)	(77.6%)
Contract liabilities	3,203,363	-	3,149,955	3,203,363		53,408	1.7%
In-house insurance contract liabilities	345,263	426,484	205,641	(81,221)	(19.0%)	139,622	67.9%
Interest bearing borrowings	181,087	-	346,623	181,087		(165,536)	(47.8%)
Lease liabilities	115,685	60,123	210,938	55,562	92.4%	(95,253)	(45.2%)
Total current liabilities	**3,911,420**	**1,033,921**	**4,637,767**	**2,877,499**	**278.3%**	**(726,347)**	**(15.7%)**
Non-current liabilities							
Interest bearing borrowings	1,444,408	-	1,476,098	1,444,408		(31,690)	(2.1%)
Lease liabilities	1,175,826	1,158,062	1,151,092	17,764	1.5%	24,734	2.1%
Total non-current liabilities	**2,620,234**	**1,158,062**	**2,627,190**	**1,462,172**	**126.3%**	**(6,956)**	**(0.3%)**
Total liabilities	**6,531,654**	**2,191,983**	**7,264,957**	**4,339,671**	**198.0%**	**(733,303)**	**(10.1%)**
Shareholders' equity							
Share capital	11,278,540	3,194,831	11,278,540	8,083,709	253.0%	0	0.0%
Retained earnings	1,051,725	3,700,524	989,916	(2,648,799)	(71.6%)	61,809	6.2%
Equity contribution reserve	255,237	255,237	255,237	0	0.0%	0	0.0%
Total shareholders' equity	**12,585,502**	**7,150,592**	**12,523,693**	**5,434,910**	**76.0%**	**61,809**	**0.5%**
Total shareholders' equity and liabilities	**19,117,156**	**9,342,575**	**19,788,650**	**9,774,581**	**104.6%**	**(671,494)**	**(3.4%)**

Free Bird Institute Limited & Subsidiary Company
Consolidated Statement of cash flows
For the 6 months ended 30 June 2026

	6 months ended 30 June 2026	6 months ended 30 June 2025
	$	$
Operating activities		
Receipts from customers	1,853,534	3,063,555
Payments to suppliers and employees	(3,254,095)	(1,036,199)
In-house insurance premiums received	345,923	370,398
In-house insurance claims paid	(16,551)	(25,559)
Interest received	7,917	8,046
Income tax paid	(149,671)	(65,634)
Interest paid	(68,997)	(45,658)
Net cash (used in)/provided from operating activities	(1,281,940)	2,268,949
Investing activities		
Acquisition of property, plant and equipment	(152,016)	(31,254)
Proceeds from sale of property, plant and equipment	15,000	-
Proceeds from/(investment in) term deposits	1,233,267	(1,700,000)
Refund of immigration and other bonds	620,275	-
Net cash provided from/(used in) investing activities	1,716,526	(1,731,254)
Financing activities		
Dividends paid	-	-
Principal repayment of interest bearing borrowings	(157,489)	-
Principal payment of lease liabilities	(70,519)	(35,342)
Net cash (used in) financing activities	(228,008)	(35,342)
Net increase in cash and cash equivalents	206,578	502,353
Effect of movements in exchange rates	(59,951)	26,817
Cash and cash equivalents at the beginning of the period	3,918,160	628,571
Cash and cash equivalents at the end of the period	4,064,787	1,157,741