



FREE BIRD INSTITUTE LIMITED

6 months report

30 June 2024

Market Announcement

This market announcement contains the unaudited financial results of Free Bird Institute Limited (FBL) for the six months period ended 30 June 2024.

Where necessary, comparative results of the previous reporting periods have been re-classed to maintain consistency with the current period reporting. This market announcement has been authorised for issue on 06 August 2024.



.....
Hiroshi Taniguchi
Executive Chairman



.....
Roqiqi Korodrau
Company Secretary

Chief Financial Officer's Report

We are pleased to present our financial report for the 6 months ending 30 June 2024.

Our total income for the period ending June 30, 2024, was \$2,013,633, reflecting a slight decline of 4% from \$2,099,203 earned in the same period last year. This decrease is primarily attributable to a 7% reduction in service fees, which is directly linked to a reduction in our student numbers by 4%.

In response to this revenue shortfall, our management team has been proactive in implementing cost-saving measures. We have successfully reduced personnel expenses by 7% and direct operating expenses by 9%, leading to an overall expense reduction of 9%. These efforts underscore our commitment to maintaining financial prudence while navigating a challenging economic landscape.

As highlighted in the Chairman's message in the 2024 Annual Report, the company has initiated a scholarship program designed to support our employees in obtaining Diplomas and Bachelor's Degrees from the University of the South Pacific. The first phase of this program commenced this year, incurring an expenditure of nearly \$6,000 recorded under *Other expenses* in the Half Year report. The entire two-year program is projected to cost approximately \$120,000, reflecting our investment in the professional development and growth of our workforce.

Despite the revenue decline, our disciplined approach to expense management has resulted in a 14% increase in operating profit, reaching \$533,856. However, we continue to face significant challenges due to foreign exchange losses. The weakening Japanese yen, now at its lowest point since the early 1990s, has increased the cost of international travel, thereby reducing the number of students studying abroad and exacerbating foreign exchange losses for those who do. Consequently, our net finance cost has risen by \$177,876.

Despite these headwinds, we are pleased to report a net profit before taxes of \$360,980, compared to \$422,299 in the same period last year. This performance demonstrates our resilience and ability to adapt to an evolving economic environment.

Our net assets are currently at \$6.7 million, reflecting a 6% increase compared to December 2023. The company's total assets have reached \$8.7 million, marking a 3% rise from the same period. Furthermore, our net assets have grown by 6% compared to last year.

This growth reflects our strategic financial management and commitment to enhancing our overall financial stability.

Thank you for your continued support and confidence in our vision and strategy. We remain committed to delivering value to our shareholders and stakeholders while pursuing our long-term goals.



.....

Roqiqi Korodrau

CFO

Free Bird Institute Limited
Statement of comprehensive income
For the 6 months ended 30 June 2024



	30/06/2024	30/06/2023	Difference	Difference
	<i>(Unaudited)</i>	<i>(Unaudited)</i>		
	\$	\$	\$	%
Income				
Service fees	1,636,002	1,749,992	(113,990) ↓	-7%
Insurance Income	291,346	296,070	(4,724) ↓	-2%
Restaurant income	18,801	24,130	(5,329) ↓	-22%
Other income	67,484	29,011	38,473 ↑	133%
Total Income	2,013,633	2,099,203	(85,570) ↓	-4%
Expenses				
In-house insurance claim	(14,603)	(10,936)	(3,667) ●	34%
In-house insurance commission expense	(147,731)	(142,015)	(5,716) ●	4%
Direct operating expenses	(510,634)	(561,803)	51,169 ●	-9%
Depreciation	(115,222)	(111,505)	(3,717) ●	3%
Personnel expenses	(519,618)	(556,731)	37,113 ●	-7%
Other expenses	(171,969)	(249,412)	77,443 ●	-31%
Total Expenses	(1,479,777)	(1,632,402)	152,625 ●	-9%
Operating Profit	533,856	466,801	67,055 ↑	14%
Finance income	25,519	43,009	(17,490) ↓	-41%
Finance cost	(198,395)	(87,510)	(110,885) ●	127%
	(172,876)	(44,501)	(128,375) ●	288%
Net Profit before tax	360,980	422,300	(61,320) ↓	-15%
Income tax expense	-	-	-	
Net profit after tax	360,980	422,300	(61,320) ↓	-15%
Earnings per share	0.15	0.18	(0.03) ↓	-15%
Net profit margin	18%	20%	-2% ↓	-11%

Free Bird Institute Limited
Statement of financial position
As at ended 30 June 2024



	As at 30/06/2024 (Unaudited) \$	As at 31/12/2023 (Audited) \$	As at 30/06/2023 (Unaudited) \$	Movement	
				Movement from Dec 23 to June 24 %	Movement from June 23 to June 24 %
Assets					
Current assets					
Cash & Cash Equivalent	1,042,041	461,682	546,535	↑ 126%	↑ 91%
Trade & other receivables	3,961,640	4,311,243	4,092,279	↓ -8%	↓ -3%
Prepayments	63,629	44,141	18,104	↑ 44%	↑ 251%
Current tax assets	51,449	-	51,594	0%	0%
Term Deposit	591,646	591,646	541,646	↑ 0%	↑ 9%
Total Current assets	5,710,405	5,408,712	5,250,158	↑ 6%	↑ 9%
Non current assets					
Equity Investment	21,400	21,400	21,400	0%	0%
Deferred tax asset	29,209	29,209	26,233	↑ 0%	↑ 11%
Trade and Other receivables	80,029	80,029	85,729	↓ 0%	↓ -7%
Term Deposit	24,435	24,435	53,480	↓ 0%	↓ -54%
Property, Plant & Equipment	1,622,780	1,663,692	1,717,168	↓ -2%	↓ -5%
Right-of-use assets	1,194,330	1,239,497	1,060,859	↓ -4%	↑ 13%
Total Non current assets	2,972,183	3,058,262	2,964,869	↓ -3%	0%
Total Assets	8,682,588	8,466,974	8,215,027	↑ 3%	↑ 6%
Liabilities					
Current Liabilities					
Trade & other payables	111,328	216,335	163,766	● -49%	● -32%
Current tax liabilities	-	22,405	-	0%	
In-house insurance liabilities	399,416	222,849	429,806	● 79%	● -7%
Payable to related party	201,934	357,633	119,026	● -44%	● 70%
Contracts liabilities	12,944	18,128	17,260	● -29%	● -25%
Lease liabilities	67,054	67,054	46,751	● 0%	● 43%
Employee Benefits	12,500	13,332	13,336	● -6%	● -6%
Total Current Liabilities	805,176	917,736	789,945	● -12%	● 2%
Non current liabilities					
Lease liabilities	1,223,882	1,256,688	1,127,538	● -3%	● 9%
Total Non current liabilities	1,223,882	1,256,688	1,127,538	● -3%	● 9%
Total Liabilities	2,029,058	2,174,424	1,917,483	● -7%	● 6%
Net Assets	6,653,530	6,292,550	6,297,544	↑ 6%	↑ 6%
Shareholders' equity					
Share capital	3,194,831	3,194,831	3,194,831	0%	0%
Retained earnings	3,203,462	2,842,482	2,847,476	↑ 13%	↑ 13%
Equity contribution reserve	255,237	255,237	255,237	↑ 0%	↑ 0%
Total shareholders' equity	6,653,530	6,292,550	6,297,544	↑ 6%	↑ 6%

Free Bird Institute Limited
Statement of Cash Flows
For the 6 months ending 30 June 2024



	6 months ended 30 June 2024	Year ended 31 December 2023	6 months ended 30 June 2023
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>
	\$	\$	\$
Operating activities			
Receipts from customers	1,760,632	2,047,046	485,489
Payment to suppliers and employees	(1,414,651)	(2,625,105)	(1,650,796)
In-house insurance premiums received	467,913	244,199	383,573
In-house insurance claims paid	(14,602)	(27,176)	(10,936)
Interest received	2,269	8,210	8,637
Income tax paid	(73,854)	(43,016)	-
Interest Paid	(48,193)	(97,519)	(44,467)
Net cash provided from/(used) in operating activities	679,514	(493,361)	(828,500)
Investing activities			
Acquisition of property, plant and equipment	(29,144)	(56,513)	(41,488)
Proceeds from sale of property, plant and equipment	-	2,174	-
Net cash used used in investing activities	(29,144)	(54,339)	(41,488)
Financing activities			
Dividends paid	-	(286,250)	-
Principal payment of lease liabilities	(32,806)	(158,179)	(36,391)
Net cash used in financing activities	(32,806)	(444,429)	(36,391)
Net increase/(decrease) in cash and cash equivalents	617,564	(992,129)	(906,379)
Effect of movements in exchange rates on cash held	(37,205)	(20,717)	(21,614)
Cash and cash equivalents at beginning of the period	461,682	1,474,528	1,474,528
Cash and cash equivalents at the end of the period	1,042,041	461,682	546,535