

**Market Announcement**

**6<sup>th</sup> November 2018**

**FHL Group records profit of over \$6.8 million in first Quarter**

Fijian Holdings Group has recorded a growth in profit after tax of 7% for the three months ending 30th September, 2018.

The Group's post-tax profit for three months stood at \$6.8m compared to \$6.4m achieved in the same period last year.

In making the announcement, FHL Group Chairman Adrian Sofield said "that the FHL Group continues to grow in the challenging business environment. Large Capital Expenditure in the 2018 financial year created efficiencies and provided quality service to our customers which added to the overall performance of FHL Group.

Group revenue has increased by 6% compared to September 2017 results. This has been due to the result of good performance by Group Companies, principally the RB group and Basic Industries.

The increase in available-for-sale assets is due to year-end revaluation of investments when compared with the same period last financial year.

As at 30 September 2018, shareholders' funds have reached \$286m compared to \$254m for the same period last year.

..... End .....



---

**Director**



---

**Director**



*For further information, please contact Mr. Sitiveni Koya on 3305017 or [Sitiveni.Koya@fijianholdings.com.fj](mailto:Sitiveni.Koya@fijianholdings.com.fj).*

**FIJIAN HOLDINGS LIMITED AND SUBSIDIARY COMPANIES**  
**UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOMES**  
**FOR THREE MONTHS ENDED 30 SEPTEMBER 2018**

|                                       | <b>GROUP</b>   |                           |                |
|---------------------------------------|----------------|---------------------------|----------------|
|                                       | <b>Sep-18</b>  | <b>Jun-18</b>             | <b>Sep-17</b>  |
|                                       | <b>\$'000</b>  | <b>Audited<br/>\$'000</b> | <b>\$'000</b>  |
| <b>Revenue</b>                        |                |                           |                |
| Operating revenue                     | 83,744         | 306,914                   | 78,975         |
| Other income                          | 1,017          | 4,572                     | 939            |
|                                       | <u>84,760</u>  | <u>311,486</u>            | <u>79,914</u>  |
| <b>Expenses</b>                       |                |                           |                |
| Cost of goods sold                    | 53,151         | 173,689                   | 52,112         |
| Staff costs                           | 3,567          | 27,941                    | 2,638          |
| Depreciation and amortisation costs   | 4,239          | 14,740                    | 2,902          |
| Impairment loss - plant and equipment | 400            | 400                       | -              |
| Provision for doubtful debts          | 547            | 2,270                     | 197            |
| Operating expenses                    | <u>11,085</u>  | <u>47,170</u>             | <u>10,488</u>  |
|                                       | <u>72,989</u>  | <u>266,210</u>            | <u>68,338</u>  |
| <b>Operating profit</b>               | <u>11,772</u>  | <u>45,276</u>             | <u>11,577</u>  |
| Finance income                        | 10             | 218                       | 12             |
| Finance costs                         | 1,228          | 5,190                     | 1,160          |
| Net finance cost                      | <u>(1,219)</u> | <u>(4,972)</u>            | <u>(1,148)</u> |
| Share of profit in associates         | -              | 2,690                     | -              |
| <b>Profit before tax</b>              | <u>10,553</u>  | <u>42,994</u>             | <u>10,428</u>  |
| Income tax (expense)/benefit          | <u>(3,678)</u> | <u>(7,285)</u>            | <u>(3,995)</u> |
| <b>Profit for the year after tax</b>  | <u>6,876</u>   | <u>35,709</u>             | <u>6,434</u>   |

Director

Director

**FIJIAN HOLDINGS LIMITED AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED UNAUDITED BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2018**

|  | <b>GROUP</b>   |                |                |
|--|----------------|----------------|----------------|
|  | <b>Sep-18</b>  | <b>Jun-18</b>  | <b>Sep-17</b>  |
|  | <b>\$'000</b>  | <b>Audited</b> | <b>\$'000</b>  |
|  | <b>\$'000</b>  | <b>\$'000</b>  | <b>\$'000</b>  |
| <b>ASSETS</b>  |                |                |                |
| Cash and cash equivalents  | 11,936         | 14,705         | 10,552         |
| Available-for-sale financial assets                                | 51,003         | 48,383         | 46,764         |
| Investment in associates   | 28,832         | 28,955         | 20,161         |
| Loans, advances and receivables                                    | 172,858        | 166,379        | 166,035        |
| Inventories  | 39,738         | 35,869         | 31,427         |
| Current tax asset  | -              | 79             | -              |
| Contract costs   | 169            | -              | 420            |
| Assets held for sale   | 421            | 100            | 1,416          |
| Investment properties  | 47,735         | 45,790         | 37,875         |
| Property, plant & equipment  | 145,144        | 143,003        | 143,933        |
| Rights of Use Assets   | 14,403         | 15,750         | -              |
| Intangible assets  | 59,346         | 61,864         | 61,476         |
| Other Assets   | 4,622          | 4,622          | -              |
| Deferred tax assets  | 4,505          | 6,746          | 5,139          |
| <b>Total assets</b>  | <b>580,712</b> | <b>572,245</b> | <b>525,198</b> |
| <b>LIABILITIES</b>   |                |                |                |
| Payables   | 43,024         | 30,755         | 35,892         |
| Contract Liabilities   | 8,905          | 8,905          | -              |
| Dividend payable   | 277            | 2,401          | 1,451          |
| Employee entitlements  | 1,230          | 1,866          | 1,569          |
| Lease Liability  | 13,944         | 16,248         | -              |
| Current tax liability  | 1,863          | -              | 685            |
| Borrowings   | 214,646        | 219,993        | 220,802        |
| Deferred tax liabilities   | 9,910          | 14,101         | 9,958          |
| <b>Total Liabilities</b>   | <b>293,799</b> | <b>294,269</b> | <b>270,356</b> |
| <b>Net Assets</b>  | <b>286,913</b> | <b>277,976</b> | <b>254,842</b> |
| <b>SHAREHOLDERS' EQUITY</b>  |                |                |                |
| Share capital  | 30,465         | 30,465         | 30,465         |
| Reserves   | 32,143         | 31,300         | 24,576         |
| Retained earnings  | 172,590        | 164,682        | 150,044        |
| Shareholders equity attributable to members of the holding company | 235,198        | 226,447        | 205,085        |
| Minority shareholders' interest                                    | 51,715         | 51,529         | 49,758         |
| <b>Total shareholders' equity</b>                                  | <b>286,913</b> | <b>277,976</b> | <b>254,842</b> |

Director

Director

**FIJIAN HOLDINGS LIMITED**  
**UNAUDITED STATEMENT CASH FLOWS**  
**FOR THREE MONTHS ENDED 30 SEPTEMBER 2018**

|  | <b>GROUP</b>   |                           |                 |
|--|----------------|---------------------------|-----------------|
|  | <b>Sep-18</b>  | <b>Jun-18</b>             | <b>Sep-17</b>   |
|  | <b>\$'000</b>  | <b>Audited<br/>\$'000</b> | <b>\$'000</b>   |
| <b>Cash flows from operating activities:</b>                                     |                |                           |                 |
| Cash receipts from customers   | 88,094         | 282,525                   | 88,288          |
| Cash paid to suppliers and employees   | (76,573)       | (241,195)                 | (75,740)        |
| Cash generated from operating activities   | 11,521         | 41,330                    | 12,548          |
| Dividends received   | 2,603          | 4,256                     | 428             |
| Management fees received   | -              | -                         | -               |
| Management fees paid   | (1,096)        | (3,229)                   | (912)           |
| Net customer loans granted   | (8,055)        | (6,261)                   | (2,327)         |
| Net (decrease)/increase in deposits  | 4,200          | (1,393)                   | (5,861)         |
| Interest received  | 5,026          | 21,178                    | 2,782           |
| Other income received  | 813            | 493                       | -               |
| Interest paid  | (1,228)        | (10,922)                  | (1,335)         |
| Income taxes paid  | (358)          | (5,130)                   | -               |
| <b>Net cash from operating activities</b>  | <b>13,426</b>  | <b>40,322</b>             | <b>5,323</b>    |
| <b>Cash flows from investing activities:</b>                                     |                |                           |                 |
| Acquisition of property, plant and equipment                                     | (6,380)        | (22,615)                  | (8,889)         |
| Acquisition of contract cost   | -              | -                         | -               |
| Acquisition of investment property   | -              | -                         | (1,136)         |
| Investment in available-for-sale financial assets                                | -              | (2,928)                   | -               |
| Deposit paid   | -              | (600)                     | -               |
| Proceeds from disposal of available-for-sale financial assets                    | -              | 7                         | -               |
| Proceeds from disposal of property, plant and equipment and assets held for sale | -              | 162                       | -               |
| Acquisition of intangible assets   | -              | (104)                     | -               |
| Net advances (to)/from subsidiaries  | -              | -                         | -               |
| <b>Net cash (used in)/from investing activities</b>                              | <b>(6,380)</b> | <b>(26,078)</b>           | <b>(10,025)</b> |
| <b>Cash flows from financing activities:</b>                                     |                |                           |                 |
| Dividends paid to shareholders   | -              | (7,434)                   | (3,717)         |
| Payment for debt Securities  | -              | (1,723)                   | -               |
| Repayment of secured loan  | -              | -                         | -               |
| Proceeds from borrowings   | -              | -                         | -               |
| Payment of Lease Liability   | (396)          | (1,542)                   | -               |
| Dividends paid to non-controlling interests                                      | (1,230)        | (5,711)                   | -               |
| Net movement in loan   | (5,347)        | (1,039)                   | (4,817)         |
| <b>Net Cash used in Financing activities</b>                                     | <b>(6,973)</b> | <b>(17,449)</b>           | <b>(8,534)</b>  |
| Net decrease in cash and cash equivalents  | 73             | (3,205)                   | (13,236)        |
| Cash and cash equivalents at the beginning of the period                         | 815            | 4,022                     | 4,022           |
| Effect of exchange rate changes on cash  | (65)           | (2)                       | (85)            |
| Cash and cash equivalents at the end of the period                               | 823            | 815                       | (9,299)         |

Director

Director