



15 April 2019

MARKET ANNOUNCEMENT

For immediate release

Kontiki Finance Limited (KFL) Announces Result for First Nine Months – Total Assets up 32%

Kontiki Finance Limited (KFL) announced the Group's unaudited result for the nine months to 31 March 2019.

For the nine months ending 31 March 2019, the net profit after tax recorded was \$6.919m, an increase of 84% over the \$3.752m profit recorded for the same period the previous year.

Group earnings per share for the first nine months was 7.6 cents per share, up from 4.6 cents per share in the same period previous year.

Net operating income for the nine months to 31 March 2019 was \$17.480m, compared with \$11.779m for the same period the previous year, an increase of 48%.

Total assets under management grew to \$195.2m as at 31 March 2019, compared with \$148.2m as at 31 March 2018, an increase of 32%.

Net assets closed at \$22.775m as at 31 March 2019, compared with \$16.442m as at 31 March 2018, an increase of 39%.

Chairman Daryl Tarte said "Kontiki Finance Group loan receivables grew well in the nine months to 31 March 2019. It is pleasing to note that in a tight funding market the Group's liquidity grew by 33% to \$66.7m as at 31 March 2019, on the back of strong term deposit inflows. This liquidity position provides Kontiki Finance with ample funding for growth in its loan book".

Yours sincerely,

A blue ink signature of Daryl Tarte, the Chairman, written in a cursive style.

Chairman

A blue ink signature of David Olu, the Company Secretary, written in a cursive style.

Company Secretary

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR NINE MONTHS ENDED 31 MARCH

(FJ\$ '000)	2019	2018	% Change
Interest income	24,801	16,693	49%
Less Interest expense	-6,954	-4,328	61%
Net interest income	17,847	12,364	44%
Fee and other income	1,388	850	63%
Total operating income	19,235	13,215	46%
Less Impairment charges on financial assets	-1,755	-1,435	22%
Net operating income	17,480	11,779	48%
Less Depreciation	-438	-287	53%
Less Operating expenses	-9,459	-6,751	40%
Profit before tax	7,583	4,742	60%
Less Income tax expense	-664	-990	-33%
Net profit after tax	6,919	3,752	84%
OEI in Net Profit & Extraordinary items after income tax	0	0	0%
Profit Attributable to Members of the Company	6,919	3,752	84%
Retained Profit at the Beginning of the Period	7,983	2,617	
Total Available for Appropriation	14,902	6,369	
Less Ordinary Dividend provided for/paid out	-4,920	0	
Retained Profit at the End of the Period	9,982	6,369	
Basic Earnings per share	7.6 cents	4.6 cents	64%

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH

(FJ\$ '000)	2019	2018	% Change
Assets			
Cash at bank	3,942	4,530	-13%
Financial instruments held to maturity	62,786	45,605	38%
Finance receivables	126,478	95,190	33%
Provisions	-3,327	-2,272	46%
Other receivables	3,562	3,560	0%
Property, plant & equipment	1,767	1,625	9%
Total Assets	195,208	148,238	32%
Liabilities			
Term deposits	162,716	124,580	31%
Other creditors	9,717	7,216	35%
Total liabilities	172,433	131,796	31%
Net Assets	22,775	16,442	39%
Shareholders' funds			
Ordinary equity	12,793	10,073	27%
Retained earnings	9,982	6,369	57%
Total Shareholders' Funds	22,775	16,442	39%

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW
FOR NINE MONTHS ENDED 31 MARCH

(FJ\$ '000)	2019	2018	% Change
Cash flow from operating activities			
Interest received	24,801	16,693	49%
Interest paid	-6,954	-4,328	61%
Non-Interest income received	1,388	850	63%
Payments to suppliers and employees	-8,452	-3,733	126%
Net customer loans granted	-22,464	-32,527	-31%
Net cash received/(repaid) in respect of deposits	27,293	45,925	-41%
Income tax paid	-715	-932	-23%
Net cashflow from operating activities	14,897	21,948	-32%
Cash flow from investing activities			
Acquisition of plant and equipment	-683	-1,129	-40%
Acquisition of intangible asset	-343	-252	36%
Acquisition of investment securities	-16,645	-20,705	-20%
Acquisition of investment through Profit & Loss	0	-880	0%
Dividend received	14	7	100%
Net cash flows (used in) Investing Activities	-17,657	-22,959	-23%
Cash flow from Financing activities			
Capital contribution from shareholders	1,908	2,173	-12%
Dividend paid	-4,920	0	0%
Net cash flows from Financing Activities	-3,012	2,173	-239%
Net increase in cash and cash equivalents	-5,772	1,162	-597%
Cash and cash equivalents at 1 July	9,714	3,368	188%
Cash and cash equivalents at 31 March	3,942	4,530	-13%