



Market Announcement

For Immediate Release

20 September 2019

Kontiki Finance Limited - Annual Result and Final Dividend for the Year Ended 30 June 2019

Kontiki Finance's Board of Directors today announced the company's audited financial results for the 12 months ended 30 June 2019. Consolidated Group net profit after tax (NPAT) increased by 75% from \$5.365m to \$9.376m.

Total Group revenue increased by 44% from \$18.7m to \$26.8m, on the back of strong growth in Total Group assets, which increased by 20% from \$162.8m to \$194.6m.

The Directors have declared a final dividend of 2.7 cents per share for the year ended 30 June 2019, to be paid on or before 17th October 2019. The ex-benefit date is 7th October 2019.

Kontiki Finance Limited's Chairman Mr. Daryl Tarte said "I am pleased to report a strong result for the financial year ended 30 June 2019. The company continued its book build strategy through the year, which resulted in a much higher profit. The result reflects the company's strong foundations across the key areas of funding, management, marketing and customer service. Looking forward to the year ahead, we expect the challenging international economic environment to impact on economic activity in Fiji. In that context, the Company will continue to work to increase its book and its profitability."

A handwritten signature in blue ink, appearing to read 'Daryl Tarte', written over a horizontal line.

Chairman

A handwritten signature in blue ink, appearing to read 'David Olu', written over a horizontal line.

Company Secretary

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR END 30 JUNE

| (FJ\$ '000) | 2019 | 2018 | % Change |
|--|-------------------|------------------|-------------|
| Interest income | 34,081 | 23,594 | 44% |
| Less Interest expense | -9,346 | -6,235 | 50% |
| Net interest income | 24,735 | 17,359 | 42% |
| Fee and other income | 2,127 | 1,294 | 64% |
| Total operating income | 26,862 | 18,653 | 44% |
| Less Impairment charges on financial assets | -2,480 | -2,006 | 24% |
| Net operating income | 24,382 | 16,647 | 46% |
| Less Personnel expenses | -7,916 | -5,806 | 36% |
| Less Depreciation | -611 | -417 | 47% |
| Less Operating expenses | -5,287 | -3,557 | 49% |
| Profit before tax | 10,568 | 6,867 | 54% |
| Less Income tax expense | -1,192 | -1,502 | -21% |
| Net profit after tax | 9,376 | 5,365 | 75% |
| OEI in Net Profit & Extraordinary items after income tax | 0 | 0 | 0% |
| Profit Attributable to Members of the Company | 9,376 | 5,365 | 75% |
| Retained Profit at the Beginning of the Period | 7,982 | 2,617 | 205% |
| Changes on Initial Application of IFRS 9 (net of taxes) | -607 | 0 | 0% |
| Total Available for Appropriation | 16,751 | 7,982 | 110% |
| Less Ordinary Dividend provided for/paid out | -4,920 | 0 | 0% |
| Retained Profit at the End of the Period | 11,831 | 7,982 | 48% |
| Basic Earnings per share | 10.3 cents | 6.0 cents | 71% |

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE

| (FJ\$ '000) | 2019 | 2018 | % Change |
|----------------------------------|----------------|----------------|------------|
| Assets | | | |
| Cash at bank | 8,001 | 9,714 | -18% |
| Financial assets | 54,089 | 46,141 | 17% |
| Finance receivables | 131,157 | 104,014 | 26% |
| Provisions | -4,744 | -2,993 | 59% |
| Other receivables | 4,345 | 4,359 | 0% |
| Property, plant & equipment | 1,776 | 1,563 | 14% |
| Total Assets | 194,624 | 162,798 | 20% |
| Liabilities | | | |
| Term deposits | 159,376 | 135,423 | 18% |
| Other creditors | 10,624 | 8,508 | 25% |
| Total liabilities | 170,000 | 143,931 | 18% |
| Net Assets | 24,624 | 18,867 | 31% |
| Shareholders' funds | | | |
| Ordinary equity | 12,793 | 10,885 | 18% |
| Retained earnings | 11,831 | 7,982 | 48% |
| Total Shareholders' Funds | 24,624 | 18,867 | 31% |

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL YEAR END 30 JUNE

| (FJ\$ '000) | 2019 | 2018 | % Change |
|--|---------------|----------------|--------------|
| Cash flow from operating activities | | | |
| Interest received | 32,544 | 22,654 | 44% |
| Interest paid | -9,346 | -6,235 | 50% |
| Non-interest income received | 267 | 1,238 | -78% |
| Premium income received | 5,931 | 1,996 | 197% |
| Payments to suppliers and employees | -12,220 | -7,873 | 55% |
| Payment for claims | -937 | -267 | 251% |
| Net customer loans granted | -28,987 | -39,726 | -27% |
| Term deposit received | 23,953 | 56,767 | -58% |
| Income tax paid | -1,098 | -1,603 | -32% |
| Net cashflow from operating activities | 10,107 | 26,951 | -62% |
| Cash flow from investing activities | | | |
| Acquisition of plant and equipment | -868 | -1,206 | -28% |
| Proceeds from sale of plant and equipment | 25 | 0 | 0% |
| Acquisition of intangible asset | -385 | -259 | 49% |
| Acquisition of investment securities | -7,948 | -21,241 | -63% |
| Acquisition of investment through profit or loss | 329 | -908 | -136% |
| Dividend received | 38 | 25 | 52% |
| Net cash flows (used in) Investing Activities | -8,809 | -23,589 | -63% |
| Cash flow from Financing activities | | | |
| Capital contribution from shareholders | 1,909 | 2,984 | -36% |
| Dividend paid | -4,920 | 0 | 0% |
| Net cash flows from Financing Activities | -3,011 | 2,984 | -201% |
| Net increase in cash and cash equivalents | -1,713 | 6,346 | -127% |
| Cash and cash equivalents at 1 July | 9,714 | 3,368 | 188% |
| Cash and cash equivalents at 30 June | 8,001 | 9,714 | -18% |

Annexure F: Dividend Declaration

Kontiki Finance Limited

Declaration of Dividend

PART A: Basic Details

| Sr. No. | Particulars | Answer |
|---------|---|---|
| 1. | Type of dividend/distribution | <input checked="" type="checkbox"/> Final <input type="checkbox"/> Interim <input type="checkbox"/> Any other (specify) _____ |
| 2. | The dividend/distribution relates to | <input type="checkbox"/> a period of one month. <input type="checkbox"/> a period of one quarter. <input type="checkbox"/> a period of six months. <input checked="" type="checkbox"/> a period of twelve months. <input type="checkbox"/> any other (specify) _____ |
| 3. | The dividend/distribution relates to the period ended/ending (date) | 30th June 2019 |
| 4. | Date of dividend declaration/approval | Date of declaration at a meeting of Board of Directors: 19th September 2019 |
| 5. | Record date | 11th October 2019 |
| 6. | Date of Ex-benefit | 7th October 2019 |

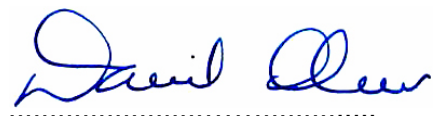
| | | |
|----|---|-------------------|
| 7. | Date of payment of dividend | 17th October 2019 |
| 8. | Are the necessary approvals as required under the Companies Act 2015, SPSE Listing Rules and Articles of Association of the Company obtained? | Yes |

PART B: Dividend/distribution amounts per type and other details

| | Current Dividend/Distribution | Previous Dividend/Distribution [corresponding to the current period, if applicable] |
|---------------------------|-------------------------------|--|
| Dividend per share | 2.7 cents | 2 cents |
| Amount of dividends (\$) | \$2,453,215 | \$1,779,243 |
| Turnover | \$35,609,846 | \$24,642,697 |
| Gross Profit | \$26,264,092 | \$18,407,298 |
| Income from other sources | \$598,271 | \$245,929 |
| Income tax expense | \$1,192,223 | \$1,502,101 |
| Net profit after tax | \$9,375,985 | \$5,365,448 |



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Director



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Company Secretary