



4 December 2019

MARKET ANNOUNCEMENT

For Public Release

Kontiki Finance Limited (KFL) Announces 23% Increase in Profit for Q1 2019/20

Kontiki Finance Limited (KFL) announced the Group's unaudited profit result for the three months to 30 September 2019.

For the quarter ending 30 September 2019, the net profit after tax recorded was \$2.7m, an increase of 23% over the \$2.2m profit recorded for the same period the previous year.

Net operating income for the quarter ending 30 September 2019 was \$7.2m, compared with \$5.5m for the same period the previous year, an increase of 30%.

Total assets under management grew to \$216.6m as at 30 September 2019, compared with \$186.8m as at 30 September 2018, an increase of 16%.

Net assets closed at \$27.3m as at 30 September 2019, compared with \$20.3m as at 30 September 2018, an increase of 35%.

Chairman Daryl Tarte said "it was pleasing to see good profit growth in the September quarter, considering the slow down experienced in domestic economic conditions during that period. With strong liquidity and profitability, the company is well positioned to grow both its balance sheet and profitability in the year ahead."

Yours sincerely,

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

Director

A handwritten signature in black ink, appearing to be 'Wong', written over a horizontal line.

Director/Company Secretary

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER

(FJ\$ '000)	2019	2018	% Change
Interest income	9,727	7,825	24%
Less Interest expense	(2,582)	(2,205)	17%
Net interest income	7,145	5,620	27%
Fee and other income	813	357	
Total operating income	7,958	5,977	33%
Less Impairment charges on financial assets	(759)	(453)	
Net operating income	7,199	5,524	30%
Less Personnel expenses	(2,238)	(1,715)	
Less Depreciation	(171)	(186)	
Less Operating expenses	(1,770)	(1,206)	
Profit before tax	3,020	2,417	25%
Less Income tax expense	(308)	(208)	
Net profit after tax	2,712	2,209	23%
OEI in Net Profit & Extraordinary items after income tax	-	-	
Profit Attributable to Members of the Company	2,712	2,209	
Retained Profit at the Beginning of the Period	11,831	7,983	
Total Available for Appropriation	14,543	10,192	43%
Less Ordinary Dividend provided for/paid out	-	(889)	
Retained Profit at the End of the Period	14,543	9,303	56%
Basic Earnings per share	3.0 cents	2.5 cents	

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER

(FJ\$ '000)	2019	2018	% Change
Assets			
Cash at bank	5,757	5,589	3%
Financial assets	64,019	68,449	-6%
Finance receivables	139,323	110,186	26%
Provisions	(4,926)	(2,736)	80%
Other receivables	6,015	3,422	76%
Right of use assets	4,244	-	
Property, plant & equipment	2,200	1,854	19%
Total Assets	216,632	186,764	16%
Liabilities			
Term deposits	172,357	157,001	10%
Lease liability	4,302	-	
Other creditors	12,637	9,450	34%
Total liabilities	189,296	166,451	14%
Net Assets	27,336	20,313	35%
Shareholders' funds			
Ordinary equity	12,793	11,010	16%
Retained earnings	14,543	9,303	56%
Total Shareholders' Funds	27,336	20,313	35%



 Director