



22nd January 2020

MARKET ANNOUNCEMENT

For Immediate Release

KONTIKI FINANCE LIMITED (KFL) ANNOUNCES HALF YEAR RESULT – ASSETS UP 24%

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

For the six months ending 31 December 2019, the net profit after tax recorded was \$5.4m, an increase of 14% over the \$4.8m profit recorded for the same period the previous year.

Group earnings per share for the first six months was 5.9 cents per share, up from 5.3 cents per share in the same period previous year.

Net operating income for the six months to 31 December 2019 was \$14.4m, compared with \$11.6m for the same period the previous year, an increase of 25%.

Total assets under management grew to \$240m as at 31 December 2019, compared with \$194m as at 31 December 2018, an increase of 24%.

Net assets closed at \$28.2m as at 31 December 2019, compared with \$21.6m as at 31 December 2018, an increase of 31%.

Chairman Daryl Tarte said "Group assets grew well in the half year to 31 December 2019, despite weakening economic conditions. It is pleasing to see profits growing by 14% over the same period last year".

A blue ink signature of Daryl Tarte, consisting of a series of connected loops and a final upward stroke.

Daryl Tarte
Chairman

A black ink signature of Beatrice Wong, featuring a large, stylized 'W' and 'g'.

Beatrice Wong
Company Secretary

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR HALF YEAR ENDED 31 DECEMBER

(FJ\$ '000)	2019	2018	% Change
Interest income	19,909	16,368	22%
Less Interest expense	(5,467)	(4,583)	19%
Net interest income	14,442	11,785	23%
Fee and other income	1,643	772	113%
Total operating income	16,085	12,557	28%
Less Impairment charges on financial assets	(1,672)	(1,004)	67%
Net operating income	14,413	11,553	25%
Less Personnel expenses	(4,522)	(3,665)	23%
Less Depreciation	(376)	(283)	33%
Less Operating expenses	(3,544)	(2,384)	49%
Profit before tax	5,971	5,221	14%
Less Income tax expense	(534)	(443)	21%
Net profit after tax	5,437	4,778	14%
OEI in Net Profit & Extraordinary items after income tax	-	-	0%
Profit Attributable to Members of the Company	5,437	4,778	14%
Retained Profit at the Beginning of the Period	11,831	7,983	48%
Total Available for Appropriation	17,268	12,761	35%
Less Ordinary Dividend provided for/paid out	(2,453)	(2,668)	0%
Retained Profit at the End of the Period	14,815	10,093	47%
Basic Earnings per share	5.9 cents	5.3 cents	11%

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER

(FJ\$ '000)	2019	As Shown in Annual Report For Year Ended 30 June 2019	2018
Assets			
Cash at bank	7,281	8,001	5,293
Financial assets	73,395	54,089	67,451
Finance receivables	151,894	131,157	119,102
Provisions	(5,300)	(4,744)	(3,545)
Other receivables	4,358	4,345	3,717
Right of use assets	5,720	-	-
Property, plant & equipment	2,491	1,776	1,869
Total Assets	239,839	194,624	193,887
Liabilities			
Term deposits	194,618	159,376	162,571
Lease liability	5,825	-	-
Other creditors	11,223	10,624	9,755
Total liabilities	211,666	170,000	172,326
Net Assets	28,173	24,624	21,561
Shareholders' funds			
Ordinary equity	13,358	12,793	11,468
Retained earnings	14,815	11,831	10,093
Total Shareholders' Funds	28,173	24,624	21,561

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE HALF YEAR ENDED 31 DECEMBER

(FJ\$ '000)	2019	2018	% Change
Cash flow from operating activities			
Interest received	19,909	16,368	22%
Interest paid	(5,467)	(4,583)	19%
Non-Interest income received	1,643	772	113%
Payments to suppliers and employees	(8,292)	(4,074)	104%
Net customer loans granted	(20,833)	(15,088)	38%
Net cash received/(repaid) in respect of deposits	35,242	27,149	30%
Income tax paid	(500)	(708)	-29%
Net cashflow from operating activities	21,702	19,836	9%
Cash flow from investing activities			
Acquisition of plant and equipment	(1,092)	(629)	74%
Acquisition of intangible asset	(144)	(247)	-42%
Acquisition of investment securities	(19,306)	(21,310)	-9%
Acquisition of investment through Profit & Loss	-	-	0%
Dividend received	8	14	100%
Net cash flows (used in) Investing Activities	(20,534)	(22,172)	-7%
Cash flow from Financing activities			
Capital contribution from shareholders	565	583	-3%
Dividend paid	(2,453)	(2,668)	-100%
Net cash flows from Financing Activities	(1,888)	(2,085)	-9%
Net increase in cash and cash equivalents	(720)	(4,421)	-84%
Cash and cash equivalents at 1 July	8,001	9,714	-18%
Cash and cash equivalents at 31 December	7,281	5,293	38%