

Ref No: 31-11-2019/20

Date: 29th November 2019

MARKET ANNOUNCEMENT

GROUP FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30th SEPTEMBER 2019 AND DECLARATION OF FIRST INTERIM DIVIDEND FOR THE YEAR ENDING 31ST MARCH 2020

The Company hereby releases the Group financial statements for the half year period ended 30th September 2019 comprising (unaudited):

- Statement of profit & loss and other comprehensive income
- Statement of financial position
- Statement of cash flows

The current half year financials are not directly comparable with the prior year, due to reasons outlined below. To afford a more meaningful comparison and to reflect trends, financials for three (3) years have been shown in the statement of profit & loss and other comprehensive income.

The current half year financial statements include the impact of adopting three new accounting standards, namely IFRS 9-Financial Instruments, IFRS 15 –Revenue from Contracts with Customers and IFRS 16-Leases. In particular, the adoption of IFRS 15 and IFRS 16, resulted in additional charges to the income statement in the current half year period, when compared to prior half year periods.

With regard to the retail division performance, in the prior half year the division benefitted from the Government's Homes Care initiative providing relief to cyclone and flood affected communities, particularly in western Viti Levu. This resulted in a significant increase in revenue in the period May to August last year. As was pointed out in last year's corresponding market announcement, this was a one-off increase in revenue, not reflected in the current half year income statement. This together with the subdued trading conditions as pointed out in the 2019 Company's Annual Report, were the principal reasons for the decline in revenue and profits in the current half year period. Notwithstanding, the division is preparing to make ground on the shortfall in revenue during the upcoming Christmas period, which is traditionally the heaviest trading period for the division. However, as again mentioned in the 2019 Annual Report, recent increases in import duty on smart phones and electrical goods, which are core sales categories, are likely to impact consumer sentiment for these goods.

The motor division sales revenue for the current half year period showed growth over the preceding two years. However, margins were impacted due to heavy competition. As mentioned in the Company's 2019 Annual Report, the recent increase in import duty on some categories of vehicles, is anticipated to have an impact on customer demand for such vehicles.

The subsidiary Vision Homecentres Limited in PNG trading as Home & More, for the current half year period, showed an increase in sales revenue over the preceding two years and although making a moderate operating loss of \$0.6million, the net operating result was an improvement over the preceding years.

The Company's interest costs increased due to new borrowing to fund the acquisition of a five-acre property in Laqere, earmarked for a large commercial development. The plans for this project are being finalized and will be released to the market at the appropriate time. The increase in interest costs also reflect the increase in the interest rate imposed by the Company's banker's effective from 1st May 2019.

Taking into account the above commentary, for the current half year period, the Group made a profit before tax of \$8.8million (HY18-\$14.8million, HY17-\$10.5million), on total sales revenue of \$90.2million (HY18-\$100.7million, HY17-\$83.6million). Group sales revenue decreased 10% over HY18 and increased 8% over HY17. Group profit before tax decreased 40% over HY18 and 16% over HY17.

In the Group balance sheet, total assets increased 44% to \$229.3million and shareholders' funds increased 3% to \$95.5million. The balance sheet includes new items with the adoption of new IFRS standards, namely "right of use assets" and "lease liability" with the adoption of IFRS16 and "contract liability" with the adoption of IFRS15. The balance sheet also reflects new bank borrowings taken to finance the purchase of a property asset.

After considering the half year operating results of the Group, on 29th November 2019, the Directors declared a first interim dividend of \$0.04cents per ordinary share, amounting to a total dividend payment of \$4,150,777.00 for the financial year ending 31st March 2020. This is same as the dividend declared in the prior period.

The dates relevant to this payment of dividend are as follows:

- | | |
|-------------------------------------|--------------------------------|
| A. Date of declaration of dividend: | 29 th November 2019 |
| B. Date of ex-benefit: | 16 th December 2019 |
| C. Record Date: | 19 th December 2019 |
| D. Date of payment of dividends: | 31 st December 2019 |



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DIRECTOR



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DIRECTOR/COMPANY SECRETARY

For more information please contact the Company Secretary on info@vil.com.fj or phone 679 – 3381 333

Annexure D: Half Year Reports

Statement of Profit or Loss and Other Comprehensive Income (Unaudited)
Vision Investments Limited And Subsidiary
For half year ended 30 September 2019

		CONSOLIDATED				
		HY 19/20 FJ\$	HY 18/19 FJ\$	HY 17/18 FJ\$	% Change (HY20 Vs. HY19)	% Change (HY20 Vs. HY18)
1	OPERATING REVENUE					
(a)	Sales Revenue	90,164,125	100,737,730	83,638,561	-10%	8%
(b)	Other Revenue	902,651	1,242,743	864,399		
(c)	Total Operating Revenue	91,066,775	101,980,473	84,502,960		
	Earnings Before Interest, Tax, Depreciation & Amortization	16,502,395	17,340,285	12,991,277	-5%	27%
2(a)						
(b)	Earning Before Interest & Tax	11,277,219	15,767,989	11,351,932	-28%	-1%
3(a)						
(a)	Net Profit before Tax	8,817,040	14,804,284	10,509,807	-40%	-16%
(b)	Income Tax Expense	(1,025,777)	(1,595,435)	(1,182,751)		
(c)	Net Profit after Tax	7,791,263	13,208,849	9,327,056		
4(a)						
(a)	Extraordinary item after Tax	-	-	-		
(b)	Net Profit after Tax & Extraordinary Item	7,791,263	13,208,849	9,327,056		
5(a)						
(a)	OEI in net profit and extraordinary items after Income Tax	-	-	-		
(b)	Net Profit after Extraordinary Items and Income Tax Attributable to Members of the Company	7,791,263	13,208,849	9,327,056	-41%	-16%
(c)	Retained Profit at Beginning	35,550,181	26,854,775	16,803,354		
(d)	Total available for appropriation	-	-	-		
(e)	Dividends paid	(6,485,590)	(6,226,166)	(5,966,742)		
(f)	Preference dividend provided for	-	-	-		
(g)	Transfer to general reserves	-	-	-		
(h)	Total appropriations	-	-	-		
(i)	Retained profit at year end	29,064,591	33,837,458	33,837,458	-14%	-14%
6	Earnings Per Share					
(a)	Basic earnings per share	0.08	0.13	0.09		
(b)	Diluted earnings per share	0.08	0.13	0.09		



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DIRECTOR



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DIRECTOR / COMPANY SECRETARY

Statement of Financial Position (Unaudited)
Vision Investments Limited And Subsidiary
For half year ended 30 September 2019

		CONSOLIDATED		
		HY 19/20 FJS	FY 18/19 FJS	HY 18/19 FJS
7	CURRENT ASSETS			
(a)	Cash Assets	3,497,646	2,823,099	2,146,094
(b)	Trade and other receivables	67,954,907	62,700,018	64,340,182
(c)	Inventories	72,656,702	71,352,985	67,199,289
(d)	Short-term investment	-	-	-
(e)	Other assets	-	-	-
(f)	Total Current Assets	144,109,255	136,876,102	133,685,565
	NON-CURRENTS ASSETS			
(g)	Property, plant and equipment	33,312,966	31,466,669	12,977,477
(h)	Investments in equity securities	1,230	1,230	1,090
(i)	Right of use assets	40,717,175	43,023,966	-
(j)	Future income tax benefit	1,715,286	1,884,483	1,476,238
(k)	Intangible assets	892,545	974,403	857,588
(l)	Trade and other receivables	8,528,739	12,439,763	10,019,175
(m)	Other	-	-	-
(n)	Total Non-Current Assets	85,167,941	89,790,514	25,331,568
(o)	Total Assets	229,277,197	226,666,616	159,017,133
8	CURRENT LIABILITIES			
(a)	Trade payables	5,618,062	4,959,484	3,732,436
(b)	Other payables and accruals	9,170,600	9,643,750	13,955,135
(c)	Current tax liabilities	-	-	308,807
(d)	Interest-bearing borrowings	10,725,000	10,725,000	-
(e)	Term loan – secured	-	-	-
(f)	Bank overdraft	19,450,663	16,629,865	17,232,094
(g)	Lease liability	6,506,037	6,060,954	-
(h)	Contract liability	3,821,271	3,843,797	-
(i)	Other	-	-	-
(j)	Total Current Liabilities	55,291,633	51,862,850	35,228,472
	NON-CURRENT LIABILITIES			
(k)	Term loan – secured	36,916,160	36,916,160	30,850,749
	– unsecured	-	-	-
(l)	Unsecured advance	-	-	-
(m)	Amount owing to related party	250,409	250,409	250,409
(n)	Deferred tax liabilities	-	-	-
(o)	Lease liability	35,423,812	37,679,408	-
(p)	Contract liability	5,880,286	5,709,408	-
(q)	Total Non-Current Liabilities	78,470,668	80,555,385	31,101,158
(r)	Total Liabilities	133,762,301	132,418,235	66,329,630
(s)	NET ASSETS	95,514,896	94,248,381	92,687,503
9	EQUITY			
(a)	Contributed equity	58,699,997	58,699,997	58,699,997
(b)	Reserves	(40,955)	(1,797)	150,048
(c)	Retained profits/accumulated losses	36,855,854	35,550,181	33,837,458
(d)	Equity Attributable to Members	95,514,896	94,248,381	92,687,503
	OEI in Controlled Entities			
(e)	Contributed equity	-	-	-
(f)	Reserves	-	-	-
(g)	Retained profits/accumulated losses	-	-	-
(h)	Total Outside Equity Interest in Controlled Entities	-	-	-
(i)	TOTAL EQUITY	95,514,896	94,248,381	92,687,503



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DIRECTOR



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DIRECTOR / COMPANY SECRETARY

Statement of Cash Flows (Unaudited)
Vision Investments Limited And Subsidiary
For half year ended 30 September 2019

	CONSOLIDATED	
	HY 19/20 FJ\$	HY 18/19 FJ\$
10 CASH FLOWS FROM OPERATING ACTIVITIES		
(a) Cash Received from Trading activities	89,489,122	103,618,685
(b) Cash Payments	(75,254,615)	(92,269,733)
(c) Interest Received	-	-
(d) Dividend Received	-	10
(e) Interest Paid	(2,460,179)	(963,695)
(f) Income Tax Paid	(911,676)	(1,006,065)
(g) Net Cash Inflow from Operating Activities	10,862,652	9,379,202
11 CASH FLOWS FROM INVESTING ACTIVITIES		
(a) Acquisition of Fixed Assets	(3,790,620)	(2,409,204)
(b) Proceeds from Sale of Fixed Assets	181,754	138,424
(c) Acquisition of Investment	-	(1,230)
(d) Long Term Deposit	-	-
(e) Audio Visual Production	-	-
(f) Proceeds from Sale of Associate	-	-
(g) Proceed from Sale of Investment	-	-
(h) Net Cash (Outflow) from Investing Activities	(3,608,866)	(2,272,010)
12 CASH FLOWS FROM FINANCING ACTIVITIES		
(a) Dividend Paid	(6,485,590)	(6,226,166)
(b) Acquisition of Fixed Assets	-	-
(c) Repayment of Secured Loan	-	-
(d) Proceed from Issue of Shares	-	-
(e) Proceeds from Borrowings	-	-
(f) Repayment of Lease Principal	(2,885,138)	-
(g) Net Cash (Outflow)/Inflow from Financing Activities	(9,370,728)	(6,226,166)
13 NET INCREASE/(DECREASE) IN CASH HELD	(2,116,943)	881,026
(a) Cash/(Overdraft) at beginning of year	(13,806,766)	(15,991,087)
(b) Effects of exchange rate changes on opening cash balances	(29,308)	24,061
(c) Cash/(Overdraft) at end of year	(15,953,016)	(15,086,000)



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DIRECTOR



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DIRECTOR / COMPANY SECRETARY

ANNEXURE F: Dividend Declaration

VISION INVESTMENTS LIMITED
Declaration of Dividend

PART A: Basic Details

Sr. No.	PARTICULARS	ANSWER
1.	Type of Dividend/distribution	<input type="checkbox"/> Final <input checked="" 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 checked="" type="checkbox"/> a period of six months <input type="checkbox"/> a period of twelve months <input type="checkbox"/> any other (specify)
3.	The dividend/distribution relates to the period ended/ending (date)	30 September 2019
4.	Date of dividend declaration/approval	Duly approved by the Board of Directors via resolution in writing pursuant to the Articles of Association on 29 November 2019.
5.	Record date	19 December 2019
6.	Date of Ex-benefit	16 December 2019
7.	Date of payment of dividend	31 December 2019

8.	Are the necessary approvals as required under the Companies Act 2015, SPX Listing Rules and Articles of Association of the Company obtained?	Yes
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PART B: Dividend/distribution amounts as per type and other details

	CURRENT 30 September 2019 (Unaudited Accounts)	PREVIOUS 30 September 2018 (Unaudited Accounts)
Total Dividend per share for the year	4.00 cents per share	4.00 cents per share
Total Amount of dividends declared for the year (\$)	\$4,150,777.00	\$4,150,777.00
Turnover	\$90,164,125.00	\$100,737,730.00
Gross Profit	\$33,964,301.00	\$39,544,163.00
Income from other sources	\$902,651.00	\$1,242,743.00
Income tax expense	\$1,025,777.00	\$1,595,435.00
Net profit after tax	\$7,791,263.00	\$13,208,849.00

Chairman/Chief Executive Officer/Managing Director/Company Secretary's comments to record further information not included above:

Refer Market Announcement - Ref No: 31-11-2019/20



 DIRECTOR



 DIRECTOR/COMPANY
 SECRETARY