



Free Bird Institute Limited
Market Announcement
Quarterly Results
31 March 2019

Free Bird Institute Limited
Fiji Islands

MARKET ANNOUNCEMENT

This market announcement contains the unaudited financial results of Free Bird Institute Limited (FBL) for the first quarter ended 31 March 2019. Where necessary, comparative results of the previous reporting period have been re-classed to maintain consistency with the current period reporting.

This market announcement has been authorised for issue on 13 May 2019.



Mereseini Baleilevuka
Director



Roqiqi Korodrau
Company Secretary



Chief Financial Officer's Comments



We are pleased to release the financial results for the first quarter for 2019 which is up by 5% compared to the same period last year which is a direct result of the in-house foreign exchange which yielded a total profit percentage of 6% in the current period as this new business only commenced in May 2018.

The student numbers from the Japanese market decreased by 17% in comparison to last year which is reflected in the decrease in services fee income and in-house insurance. However, student numbers from the non-Japanese markets increased by 66% directly reflective of Management's attempts to diversify the student market and tap in to other non-Japanese markets.

As previously highlighted in various market announcements, the decline is solely attributed to the strong continuous growth in the Japanese economy boosts employment opportunities for the Japanese people and making studying abroad a lesser choice of the two.

The Board and Management continue to work closely with their stakeholders in the non-Japanese markets to market FBL and Fiji as a study abroad destination and with the hope to address or counter the decline in students from the Japanese markets.

The results also show an increase in the Earnings per share by 5% and an increase in its total assets by 8% in comparison to the same period last year.

A handwritten signature in blue ink, appearing to read "Waisale Iowane".

Waisale Iowane

Chief Financial Officer

Dated this 13th day of May 2019.



Statement of profit or loss and other comprehensive income

For the Quarter ended 31 March 2019

	31 March 2019	31 March 2018		YTD vs LY
Revenue				
Service fees	1,141,474	1,256,888	↓	-9%
In-house insurance premiums	186,323	204,353	↓	-9%
Other income	17,067	13,592	↑	26%
	<u>1,344,864</u>	<u>1,474,833</u>	↓	-9%
Expenses				
In-house insurance claims	(12,013)	(17,283)	●	-30%
In-house insurance commission expense	(74,218)	(81,278)	●	-9%
Direct operating expenses	(361,221)	(407,563)	●	-11%
Depreciation	(25,387)	(26,179)	●	-3%
Personnel expenses	(455,490)	(505,210)	●	-10%
Other expenses	(133,957)	(99,355)	●	35%
Total expenses	<u>(1,062,286)</u>	<u>(1,136,868)</u>	●	-7%
Profit from operations	282,578	337,966	↓	-16%
Finance income	16,095	39,825	↓	-60%
Finance cost	(14,783)	(107,854)	●	-86%
Profit before tax	<u><u>283,890</u></u>	<u><u>269,937</u></u>	↑	5%
Earnings per share	<u><u>0.14</u></u>	<u><u>0.13</u></u>	↑	5%

Statement of Financial Position

As at 31 March 2019



	31 March 2019	31 March 2018	CM vs LY	
Current assets				
Cash and cash equivalents	1,447,134	2,158,037	↓	-33%
Trade and other receivables	525,779	1,046,271	↓	-50%
Prepayments	131,007	127,118	↑	3%
Held-to-maturity investments	10,308	10,000	↑	3%
Total current assets	2,114,229	3,341,426		
Non-current assets				
Trade and other receivables	283,290	242,712	↑	17%
Deferred tax asset	120	0		
Held-to-maturity investments	1,751,934	50,485	↑	3370%
Property, plant and equipment	1,878,867	1,960,560	↓	-4%
Total non-current assets	3,914,210	2,253,757		
Total assets	6,028,439	5,595,183	↑	8%
Current liabilities				
Trade and other payables	218,628	218,022	×	0%
Payable to related parties	41,982	12,331	×	240%
Interest bearing borrowings	225,324	225,324	×	0%
In-house insurance liabilities	333,340	367,332	✓	-9%
Current tax liability	69,373	29,967	×	131%
Total current liabilities	888,647	852,975		
Non-current liabilities				
Deferred tax liability	0	4,376	✓	-100%
Interest-bearing borrowings	445,557	681,314	✓	-35%
Total non-current liabilities	445,557	685,690		
Total liabilities	1,334,204	1,538,665	×	-13%
Shareholders' equity				
Share capital	2,000,000	2,000,000		
Retained earnings	2,438,999	1,801,281		
Equity contribution reserve	255,237	255,237		
Total shareholders' equity	4,694,236	4,056,518	↑	16%
Total shareholders' equity and liabilities	6,028,439	5,595,183	↑	8%

Statement of Cash flows

For the Quarter ended 31 March 2019



	31 March 2019	31 March 2018
Operating activities		
Receipts from customers	703,012	(1,120)
Payment to suppliers and employees	(266,961)	(343,315)
In-house insurance premiums received	160,398	(10,928)
In-house insurance claims paid	(7,539)	(8,265)
Finance income	13,384	19,914
Income tax (paid)/received	(59)	(1,052)
Interest paid	(4,276)	(5,763)
Net cash from/(used) operating activities	597,960	(350,529)
Investing activities		
Acquisition of property, plant and equipment	(4,973)	(825)
Investment in held to maturity investments	(500,000)	0
Net cash used in investing activities	(504,973)	(825)
Financing activities		
Dividends paid	0	0
Repayments of interest bearing borrowings during the period	(20,904)	(19,417)
Net cash used in financing activities	(20,904)	(19,417)
Net increase/(decrease) in cash and cash equivalents	72,083	(370,771)
Cash and cash equivalents at Beginning of Month	1,375,051	2,528,809
Cash and cash equivalents at End of Month	<u>1,447,134</u>	<u>2,158,038</u>



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