

Press Release

For Immediate Release



18th November 2022

FIJIAN HOLDINGS LIMITED (FHL) TO ISSUE SECURED WHOLESALE CORPORATE BOND

Fijian Holdings Limited announces that the Company has today, Friday 18th November 2022 opened the offer of its Wholesale Corporate Bond. The Company filed the Information Memorandum with the Reserve Bank of Fiji and subsequently released the registered Information Memorandum with the South Pacific Stock Exchange (SPX).

FHL Acting Chairman, Yogesh Karan said “this will be the first wholesale corporate bond to be raised under the Companies (Wholesale Corporate Bonds) Regulations 2021 and will be listed on the South Pacific Stock Exchange (SPX) Over-The-Counter (OTC) market. Although, this is FHL’s second corporate bond issue, as the first issue successfully raised \$5.0 million in 2002 to finance the construction of Ra Marama House”.

Eligible Investors

Under the Companies (Wholesale Corporate Bonds) Regulations 2021, the Offer is only open to eligible investors. It is not for retail distribution. Eligible Investors are described under section 4 of the Companies (Wholesale Corporate Bonds) Regulations 2021 and includes any other investor that purchases securities with a value of more than FJ\$200,000, provided that the purchase of the wholesale corporate bond is on the advice of a Licensed Investment Adviser.

Use of Funds

The proceeds of the Offer will be used to:

- assist in financing of the FHL Tower construction of an 18-storey office complex on the corner of Gordon Street and Thurston Road;
- repay a portion of FHL’s existing drawn bank debt, providing some diversification of funding sources and tenor; and
- for general corporate purposes.

Details of the Secured fixed rate Wholesale Corporate Bonds

The company is intending to raise up to \$30 million in this Wholesale Corporate Bond Offer, providing competitive interest rates for the three bond terms:

- 3.00% p.a. for 3-year term
- 3.50% p.a. for 5-year term
- 3.75% p.a. for 7-year term.

The FHL Wholesale Corporate Bond will provide investors the following benefits:

- Secured bond, offering higher yields than that offered by traditional fixed interest securities especially the current deposit rates; The interest earned (on Corporate Bond) is exempt from income tax;



- Liquidity is provided via an SPX listing on the OTC market; and
- An alternative source of income for investors, compared to term deposits or shares.

The company is inviting Offers for the FHL Wholesale Corporate Bond of up to a limit of \$30,000,000 with details below:

| | | | |
|----------------------------|--|-------------------|------------------|
| SPX Ticker Code | FHLWCB30112025 | FHLWCB30112027 | FHLWCB30112029 |
| Term | 3 Years | 5 Years | 7 Years |
| Fixed Interest Rate | 3.00% p.a. | 3.50% p.a. | 3.75%p.a. |
| Offer Amount | \$10 million | \$10 million | \$10 million |
| Issue Price | \$1,000.00 per BOND | | |
| Minimum Application Amount | \$200,000.00 and multiples of \$1,000 thereafter | | |

FHL Stockbrokers Pte Limited will be the Stockbroker for the offering. All offers (applications) must be emailed to info@fhls.com.fj by 3:00pm on 28th November 2022. The Issue and Allotment will be notified on 30th November 2022.

Direct payment of offers for full face value of the offer amount must be made to the following bank account:

Account Name: **Fijian Holdings Limited**
 Account Number: **84860571**
 Bank Name: **Bank of South Pacific (BSP)**

The FHL Wholesale Corporate Bond Information Memorandum with application forms are also available on the company website or upon request from FHL Stockbrokers Pte Limited.

For further information, you can contact FHL Stockbrokers Pte Limited by telephone on 3307018/ 3307025 or email via info@fhls.com.fj

_____END_____



.....
Acting Chairman



.....
Independent Director

For further information, please contact Ms. Mereoni Matavou on 3305017 or email mereoni.matavou@fijianholdings.com.fj

FIJIAN HOLDINGS LIMITED

INFORMATION MEMORANDUM

OFFER OF \$30,000,000 SECURED FHL WHOLESALE CORPORATE BONDS

- 3.00% p.a for 3 years bond
- 3.50% p.a for 5 years bond
- 3.75% p.a for 7 years bond

**Issued By Fijian Holdings Limited ("FHL" or "the Company")
14th November 2022**

Fijian Holdings Limited has prepared this document in accordance with the Companies (Wholesale Corporate Bonds) Regulations 2021.

This offer is restricted to eligible investors, it is not for retail distribution. Eligible Investors are:

- a bank, credit institution or other financial institution licensed by the Reserve Bank of Fiji under the Banking Act 1995;
- a credit union licensed under the Credit Unions Act 1954;
- a licensed investment adviser and any other licensee for capital markets activities approved under the Companies Act 2015;
- an approved securities exchange or central depository licensed by the Reserve Bank of Fiji under the Companies Act 2015;
- an insurance company licensed by the Reserve Bank of Fiji to conduct insurance business under the Insurance Act 1998;
- a fund established by, or approved under, the Fiji National Provident Fund Act 2011;
- an approved managed investment scheme licensed by the Reserve Bank of Fiji under the Companies Act 2015;
- the Fiji Development Bank;
- a foreign entity that is the equivalent in its country of operation or domicile of the entities covered in one or more of the preceding paragraphs, and which makes its investment through a licensed investment adviser;
- a multilateral development bank; and
- any other investor that purchases securities with a value of more than FJ\$200,000, provided that the purchase of the wholesale corporate bond is on the advice of a licensed investment adviser.

FHL TOWER
NOW LEASING
992 4842 | 998 2123

NOTICE TO INVESTORS OF FHL WHOLESALE CORPORATE BONDS

This Information Memorandum is dated 14 November 2022. It contains information about:

- The proposed issue of FHL Wholesale Corporate Bonds ("FHL Bond").
- Proposed listing of FHL Wholesale Corporate Bonds on SPX.

Fijian Holdings Limited is listed on the South Pacific Stock Exchange (SPX Code: FHL) and information on the Company at the SPX website (www.spx.com.fj) which is in the public domain and can be publicly accessed, is hereby incorporated by reference in this Information Memorandum.

Responsibility statements by the Company

The directors of the Company have seen and approved the Information Memorandum. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in the Information Memorandum false or misleading.

The Information Memorandum was registered by the Reserve Bank of Fiji as required under the Companies (Wholesale Corporate Bonds) Regulations 2021.

Investors should not seek to purchase FHL Bonds except on the basis of information set out in (a) this Information Memorandum and (b) the Terms and Conditions applicable to the FHL Bonds. Before applying you are advised to read the whole of this Document, including the risks set out in [Section 9](#). You should consider taking appropriate financial and other advice before making any investment decision.

Reserve Bank of Fiji Statement

The Information Memorandum was registered by the Reserve Bank of Fiji ('RBF') on 18 November 2022.

This issuance is made under the Companies (Wholesale Corporate Bonds) Regulations 2021 pursuant to section 283(4)(d) and section 713 of the Companies Act 2015 and while its contents have been checked for compliance with these Regulations, there should be no reliance on this for the accuracy of information or creditworthiness of the issuer.

The Reserve Bank of Fiji and the South Pacific Stock Exchange accept no liability for any statement contained in this document or any information omitted from it. The investors must carry out their own review of the issuance and seek any advice that they consider necessary.

South Pacific Stock Exchange Disclaimer

This offer is conditional upon the South Pacific Stock Exchange ("SPX" or "Exchange") granting permission to list the FHL Wholesale Corporate Bonds on the over the counter (OTC) market of the SPX and all the requirements of the Exchange relating thereto that can be complied with on or before the date of the Information Memorandum (or the distribution of the advertisement) have been duly complied with.

However, the SPX accepts no liability for any statement contained or information omitted from this Information Memorandum. The fact that the SPX may list the debt securities of the Company is not to be taken in any way as an indication of the merits of the Company or the listed debt securities.

This Information Memorandum should be read in its entirety and in particular consider the assumptions underlying financial projections and risk factors that could affect the performance of the Company. Carefully consider these risks in light of your personal circumstances and seek professional advice from your licenced investment adviser, before deciding to invest in the Company.

No person is authorised to give any information or make representation in connection with the listing which is not contained in this Information Memorandum. Any information or representation not so contained may not be relied on as having been authorised by the Company.

This Information Memorandum does not constitute an offer or invitation to any person to whom, it would not be lawful to make such an offer or invitation.

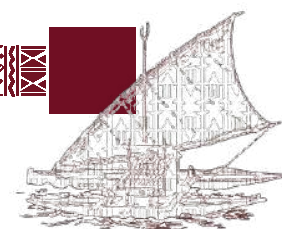
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Appendices

Appendix 1 - Individual Application Form

Appendix 2 - Legal Entity Application Form



01 KEY INFORMATION SUMMARY

WHAT IS THIS?

This is an offer (Offer) of secured fixed rate bonds (Bonds). The FHL Wholesale Corporate Bonds are debt securities issued by Fijian Holdings Limited (the Issuer). You give the Issuer money, and in return the Issuer promises to pay you interest and repay the principal at the end of the term.

PURPOSE OF THIS OFFER

The proceeds of this Offer will be used to:

- repay a portion of FHL's existing drawn bank debt (\$15m), providing some diversification of funding sources and tenor;
- for related entities advances; and
- for general corporate purposes

ABOUT FIJIAN HOLDINGS LIMITED (FHL)

FHL was incorporated in 1984 to fulfil the objectives of the leaders of the iTaukei people of Fiji, creating an entity that meaningfully represented iTaukei in the business sector and ensured their meaningful participation in the Fijian economy. Its investments give the iTaukei significant shareholding in major companies thus helping to achieve the objective of bringing the iTaukei fully into the mainstream of Fiji's economy.

FHL is a principal investment firm directly investing in the manufacturing, building and construction, tourism, property, financial services, media and communications and retail sectors.

Fijian Holdings Limited is listed on the South Pacific Stock Exchange (SPX Code: FHL) and Information on the Company at the SPX website (www.spx.com.fj) which is in the public domain and can be publicly accessed, is hereby incorporated by reference in this Information Memorandum.

The principal activity of the Company is investment. The principal activities of the Group are the production and sale of cement, concrete and concrete products, investment and rental of property, fund management, stock broking, asset and loan financing and acceptance of term deposits, provision of sea transportation services and boat charters, cruise ship operations, commercial free to air broadcasting services, selling and servicing of radio, television and communications, retailing and wholesaling of general merchandise, printing and publishing, sale of stationery, and owners and administrators of properties.

SUBSIDIARY COMPANIES



ASSOCIATE COMPANIES



PERCENTAGE HOLDING PER COMPANY

| Subsidiary Companies | | Associate Companies | |
|---------------------------------|--------|----------------------------------|--------|
| FHL Fund Management Pte Limited | 100.0% | Pacific Cement Pte Limited | 50.3% |
| FHL Stockbrokers Pte Limited | 100.0% | Basic Industries Pte Limited | 51.1% |
| Life Cinema Pte Limited | 71.6% | RB Patel Group Limited | 54.3% |
| South Sea Cruises Pte Limited | 100.0% | Serendib Investment Pte Limited | 75.0% |
| Fiji Television Limited | 59.4% | Merchant Finance Pte Limited | 70.0% |
| | | FHL Properties Pte Limited | 100.0% |
| | | Newworld Pte Limited | 20.3% |
| | | Ritam Investments Pte Limited | 30.0% |
| | | Golden Manufacturers Pte Limited | 30.0% |
| | | Pernix (Fiji) Pte Limited | 21.0% |
| | | Marsh Pte Limited | 25.0% |

FHL Group employs approximately 1,564 staff members.



Board of Directors

FHL Board of Directors & Group Management team are as follows:

BOARD OF DIRECTORS



Currently the Permanent Secretary to the Office of Prime Minister, Sugar Industry and Immigration. He holds a Masters Degree in Management, Graduate Certificate in HRM, Advanced Diploma in Civil Engineering, Cert IV in Business Excellence Evaluation from respective Universities in Australia and other Professional qualifications from International Institutions.

Yogesh Karan (Acting Chairman)



He is the Managing Director of the family owned Rosie Group of Companies; Rosie Holidays and Ahura Resorts (Likuliku Lagoon and Malolo Island Resort), and holds a Bachelor Degree from the University of New South Wales, Sydney, Australia.

Anthony Whitton (Director)



A Security Consultant and a former Senior Military Officer. He graduated at the International Security Academy in Tel Aviv, Israel.

Col. Sakiusa Raiwoce (Independent Director)



A Business Consultant specifically working in the private sector in the Pacific region. Holds a Bachelor of Arts Degree majoring in Economics, Management and Public Administration, MBA with Banking and Finance.

Mereia Volavola (Director)



A businessman and holds various executive roles at Johnson & Johnson in Fiji and Australia for the past 20 years. He holds a Post Graduate in Economics and a Master in Business Administration from USP.

Savendra Dayal (Director)



Vice President of the Fiji Commerce and Employers Federation Board, Vice Chair of the Governance Board for the Fiji Women's Rights Movement and a Chairperson of the Women Entrepreneurs Business Council. Holds a Double Major Degree in Management and Public Administration and Industrial Relations from USP.

Eseta Nadakuitavuki (Director)



Currently the Chief Executive Officer of Fiji Sports Council. Holds a Degree in Economics and Management in Public Administration, a Post Graduate Certificate in Human Resource Management along with a Post Graduate Diploma in Business in Public Administration from University of the South Pacific.

Litiana Loabuka (Independent Director)



Currently, the Head of Public Sector Business at Kontiki Finance. He holds a Bachelor of Art majoring in Business Economics and currently pursuing Masters Program at the University of Fiji.

Alifereti Kikau (Director)



Currently a lecturer at USP. He holds a PhD in Forensic Accounting, Master of Forensic Accounting with Distinction, Bachelor of Arts (Accounting/Banking) and Bachelor of Arts (Economics/Management).

Ilimitama Cawi (Independent Director)

GROUP MANAGEMENT



Fijian Holdings Limited is a 100% i-Taukei owned, publicly listed investment company and a major player in the corporate sector that has a diverse investment portfolio.

Jaoli Korol (Group Chief Executive Officer)
Fijian Holdings Limited



Merchant Finance Pte Limited (MFL) is a credit institution licensed by Reserve Bank of Fiji and offers financial products such as Secured and Unsecured Loans and Term Deposits. It has 9 branches all over Fiji.

Nalvuka Saune (Chief Executive Officer)
Merchant Finance Pte Limited



RB Patel Group Limited is a publicly listed company that has a diversified business portfolio and is involved in supermarket, department store, distributors, importers, exporters, wholesalers, cinema and property development. RB Patel supermarkets operates across 10 locations around the country and are known for its great customer service, great pricing, great range which has made it easier for its customers by saving them time, as they can buy all their weekly groceries from one supermarket.

Deepak Rathod (Chief Operating Officer)
RB Patel Group Ltd



Basic Industries Pte Ltd (BIL) is the largest local manufacturer and supplier of quarry aggregates and concrete products in Fiji. Its various products include ready-mix concrete, concrete blocks & pavers, other concrete masonry products, tile glue, concrete aggregates, sealing chips, road-base material, river sand & gravel, concrete pipes, concrete power poles and various pre-cast and pre-stressed concrete products, that are sold under our well-known local brands Standard Concrete and Humes. BIL also export overseas, mainly to neighboring Pacific Island Countries.

Ritesh Dass (Chief Executive Officer)
Basic Industries Pte Ltd



FHL Properties Pte Limited (FHL P) is primarily a commercial property owner and its principal business activities include the renting and management of properties. We are the proud owners of a diverse property portfolio inclusive of Vanua House, Ratu Sukuna House, Ra Marama House, FHL Properties Building and the FHL Tower which is currently under development. FHL P also actively manages two other commercial properties in Suva.

Andy Yuen (General Manager)
FHL Properties Pte Limited



FHL Fund Management Limited a 100% owned subsidiary of Fijian Holdings Limited that manages the Investment Fund, Fijian Holdings Unit Trust.

Amrish Lal (General Manager)
FHL Fund Management Limited



Pacific Cement Pte Limited is the premier supplier of cement and related products in Fiji and is the preferred supplier of cement in the Pacific. For over 30 years, PCL prides itself in producing world class quality cement that is consumed in both private and public sector projects all over Fiji and South Pacific, which includes New Zealand.

Tavita Ravula (Factory Manager)
Pacific Cement Pte Limited



Fiji TV is the leading television broadcaster in Fiji and has been in existence over the past 28 years and continues to provide quality content television service to its viewers and advertisers since the 15th of June, 1994. The company is also involved in the sales and service of radio, television, and communication products.

Sitiveni Halofaki (General Manager)
Fiji Television Limited



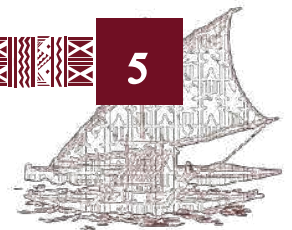
South Sea Cruises Pte Ltd is Fiji's largest and most experienced marine tourism operator with an extensive island resort connection service and an exciting variety of full and half day cruises in Fiji's Mamanuca and Yasawa Island groups.

Brad Rutherford (Chief Executive Officer)
South Sea Cruises Pte Ltd



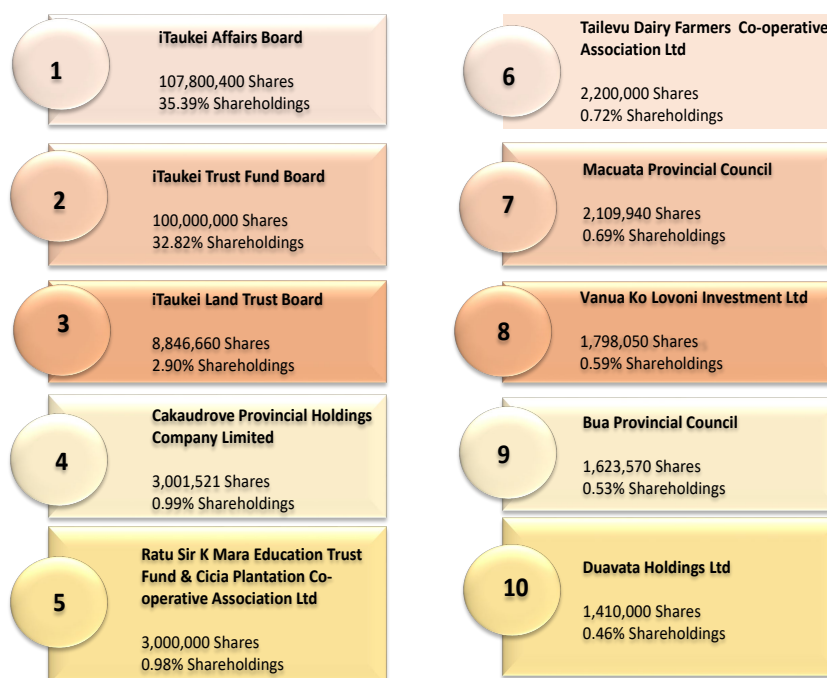
Life Cinema is the home of excellence in cinema. For the latest blockbuster Hollywood and Bollywood hits, presented with the latest in digital cinema technology, Life Cinema is the ultimate venue to view your film.

Daniel Wikash (Booking Manager)
Life Cinema Pte Limited



Shareholders

Top 10 Shareholders of FHL are stated below:



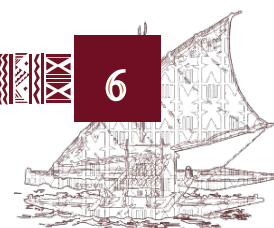
Information on FHL may be accessed on the company's website – www.fijianholdings.com.fj and on www.spx.com.fj.

THE OPPORTUNITY

- Many investors have a medium to longer term investment horizon than that offered by bank term deposits.
- The demand from investors for attractive medium to long term interest rate securities are expected to grow.
- These factors, combine with SPX's efficient and cost effective trading of the listed bonds on SPX's Over the Counter (OTC) Market, in compliance with OTC Listing and Trading Rules. Provide investors a viable alternative investment vehicle.
- Corporate Bonds can be a good investment for those looking for safety and a fixed rate of interest that's paid quarterly until the bond's maturity. Bonds are an important piece of an

investment portfolio's asset allocation since the steady return from bonds helps offset the volatility of equity prices.

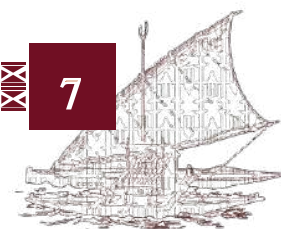
- Investors typically invest in bonds as they provide a predictable income stream. Bonds pay interest quarterly per year. If the FHL Wholesale Corporate Bonds are held to maturity, bondholders get back the entire principal, so bonds are a way to preserve capital while investing.
- FHL Wholesale Corporate Bonds offer investors the benefit of higher yields than traditional fixed interest securities (such as Government and Semi-Government bonds) while providing liquidity via an SPX listing on the OTC market.



KEY BENEFITS

Some of the Key Benefits of FHL Wholesale Corporate Bonds are outlined below:

| | |
|--|--|
| Regular income payments | Investors will receive quarterly interest payments equal to the Coupon Payments of the relevant Underlying Bonds. |
| SPX traded | FHL Wholesale Corporate Bonds may be bought and sold on the SPX Over the Counter (OTC) Market, subject to the liquidity. |
| Diversification | An investment in FHL Wholesale Corporate Bonds may help investors to build a diversified investment portfolio and reduce risk. |
| Certainty of Investment Outcome | Subject to the issuer (FHL) meeting their obligations and if the corporate bonds are held to maturity, investors will have a known outcome for their investment. |
| Investment timeframe management | The FHL Wholesale Corporate Bonds provide an investment with a defined investment maturity date. |
| Priority of payments | In the event of a winding up of the Bond Issuer, holders of FHL Bonds, if paid at all, will have first priority ranking limited to \$30m accorded to SPX Trustees Limited, under the Deed of Priority between Bred Bank (Fiji) Pte Limited, FHL Properties (Fiji) Pte Limited and SPX Trustees Limited. Corporate Bond Holders will rank ahead of holders of subordinated debt, ordinary shares, or unsecured creditors (if any) in the Bond Issuer (FHL). |
| Investor Choice | Investors have the opportunity to select the corporate bonds (3, 5 or 7 year term) that are suited to their individual investment needs and objectives. |
| Alternative income source | FHL Wholesale Corporate Bond will provide an alternative source of income for investors, compared to term deposits or shares. |
| Tax benefits | Interest income earned on corporate bonds traded on the SPX are currently exempt income in the hands of the bondholder. |



KEY TERMS OF THE OFFER

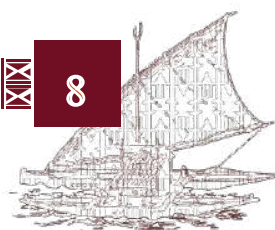
| | |
|--|--|
| ISSUER | Fijian Holdings Limited |
| DESCRIPTION OF THE BONDS | Secured fixed rate FHL Wholesale Corporate Bonds. |
| PURPOSE OF THE OFFER | The proceeds of the Offer will be used to: <ul style="list-style-type: none"> • repay a portion of FHPL's existing drawn bank debt (\$15m), providing some diversification of funding sources and tenor; • for related entities advances; and • for general corporate purposes |
| TERM | 3 years maturing on 30 November 2025, 5 years maturing on 30 November 2027 and 7 years maturing on 30 November 2029. |
| OFFER AMOUNT | \$30 million |
| INTEREST RATE | The FHL Wholesale Corporate Bonds will pay a fixed rate of interest until the Maturity Date. The Interest Rate will be 3.00% per annum for 3 years bond. The Interest Rate will be 3.50% per annum for 5 years bond. The Interest Rate will be 3.75% per annum for 7 years bond. |
| INTEREST PAYMENT DATES | Quarterly in arrears in equal payments on 31 March, 30 June, 30 September and 31 December in each year (or if that day is not a Business Day, the next Business Day) until and including the Maturity Date, with the First Interest Payment Date being 31 March 2023 and the Last Interest Payment will be on a pro-rata basis from the date of issue of the FHL Wholesale Corporate Bond. |
| FURTHER PAYMENTS, FEES OR CHARGES | You are not required to pay brokerage or any other fees or charges to the Issuer to purchase the FHL Wholesale Corporate Bonds. Any bond trading on the SPX platform (secondary market) will have brokerage costs as well as the relevant SPX and RBF fees. Please contact your broker for further information on any brokerage fees. |
| INTEREST INCOME EXEMPT | Interest income earned on corporate bonds traded on the SPX shall be exempt income in the hands of the bondholder. It means that such an interest amount shall be exempt from withholding tax or income tax. |
| SELLING RESTRICTIONS | The Offer is subject to certain selling restrictions and you will be required to indemnify certain people if you breach these. More information on this can be found in section 5 of this IM (<i>Key features of The FHL Wholesale Corporate Bonds</i>). |
| OPENING DATE | 18 November 2022 |
| CLOSING DATE | 28 November 2022 at 3.00pm. |
| ISSUE AND ALLOTMENT DATE | 30 November 2022 |
| MINIMUM APPLICATION AMOUNT | \$200,000 and multiples of \$1,000 thereafter. |

WHO IS RESPONSIBLE FOR REPAYING YOU?

The Issuer as issuer of the FHL Wholesale Corporate Bonds is responsible for repaying the principal, and paying interest on the FHL Wholesale Corporate Bonds.

Payments on the FHL Wholesale Corporate Bonds are secured by way of first priority ranking limited to \$30m accorded to SPX Trustees Limited, under the Deed of Priority between Bred Bank (Fiji) Pte Limited, FHL Properties (Fiji) Pte Limited and SPX Trustees Limited.

More information on the security can be found in [section 5](#) of this IM (Key features of the FHL Wholesale Corporate Bonds).



HOW YOU CAN GET YOUR MONEY OUT EARLY

Neither you nor the Issuer are able to redeem the FHL Wholesale Corporate Bonds before the Maturity Date. However, the Issuer may be required to repay the FHL Wholesale Corporate Bonds early if there is an Event of Default (as described in [section 5](#)).

The Issuer intends to list these Bonds on the South Pacific Stock Exchange (SPX) Over the Counter (OTC) Market. This means you may be able to sell them on the SPX before the end of their term if there are interested eligible investors willing to buy. If you sell your Bonds, the price you get will vary depending on factors such as the financial condition of FHL and movements in the market interest rates.

HOW BONDS RANK FOR REPAYMENT

The FHL Wholesale Corporate Bonds are secured by way of first priority ranking limited to \$30m accorded to SPX Trustees Limited, under the Deed of Priority between Bred Bank (Fiji) Pte Limited, FHL Properties Pte Limited and SPX Trustees Limited.

On a liquidation of the Issuer, the FHL Wholesale Corporate Bonds will rank:

- With priority over the Bred bank mortgages to Corporate Bond Holders up to \$30m;

- behind liabilities which are preferred by law and liabilities secured by any limited permitted security interests granted by the Issuer (such as certain security taken in collateral by a seller securing the obligation to pay all or part of the purchase price of that collateral); and
- ahead of any unsecured liabilities and share holders of the Issuer.

Further important information on the ranking of the FHL Wholesale Corporate Bonds can be found in [section 5](#) of this IM (Key features of the FHL Wholesale Corporate Bonds).

WHAT ASSETS ARE THESE BONDS SECURED AGAINST?

The FHL Wholesale Corporate Bonds are secured by the following Related Party Securities:

- Second Registered Fixed Mortgages over Land (which includes permanent buildings and improvements) as tabulated below.
- Deed of Priority between BRED Bank (Fiji) Pte Ltd, FHL Properties Pte Limited and SPX Trustees Limited over the BRED Bank's first registered mortgages with first priority ranking limited to \$30,000,000 to be accorded to SPX Trustees Limited in the event of default.

More information on the Security can be found in [section 5](#) of this IM (Key features of the FHL Wholesale Corporate Bonds).

| Registered Owner | Property Details | | | | Market Value (VEP) | Date of Valuation | Valuer |
|----------------------------|--------------------------|-----------------------------------|---|------------|--------------------|-------------------|------------------|
| | Property Name | Property Address | Legal Description | Zoning | | | |
| FHL Properties Pte Limited | Lot 1, Ratu Sukuna House | 229-249 Victoria Prd, Suva | Lot 1, DP 3929 - CT 4098 (810 sq mtrs) | Commercial | \$12,026,000 | 30-June-22 | Rolle Associates |
| FHL Properties Pte Limited | Lot 1, Vanua House | 77 Victoria Prd, Suva | Lot 1, DP 2763 - CT 19239 (1181 sq mtrs) | Commercial | \$15,232,000 | 30-June-22 | Rolle Associates |
| FHL Properties Pte Limited | Lot 51, Ra Marama House | 91 Gordon St, Ra Marama Hse, Suva | Lot 51, DP 2236 - CL 12609 (1292 sq mtrs) | Commercial | \$19,100,000 | 30-June-22 | Rolle Associates |



KEY RISKS AFFECTING THIS INVESTMENT

Investments in debt securities have risks. A key risk is that the Issuer does not meet its commitments to repay you or pay you interest (credit risk). [Section 9](#) of this IM (Risks of investing) discusses the main factors that give rise to the risk.

The value of an investment in FHL Bonds may fluctuate due to various factors, including investor perceptions, economic conditions, interest rates, debt market conditions and factors that may affect FHL's financial performance. The following risks may also affect an investment in FHL Bonds:

- FHL's financial performance – A change in FHL's financial condition may impact on the market value and the transferability of the FHL Wholesale Corporate Bonds;
- Credit Risks – Associated with the Issuer (FHL) and any Guarantors;
- Liquidity Risk – An active secondary market in respect of the FHL Wholesale Corporate Bonds may be illiquid and this would adversely affect the value at which an investor could sell the FHL Wholesale Corporate Bonds;
- Interest Rate Risks – The value of Fixed Rate Bonds may be adversely affected by movements in market interest rates;
- Litigation Risks – Risks relating to litigation and regulatory actions;
- Default Risk – if an event of default occurs under the FHL Wholesale Corporate Bonds, or the Issuer (FHL) fails to perform any obligation in relation to the FHL Wholesale Corporate Bonds, such event or failure may impact on the value of an investment in the Bonds, the transferability of the Bonds and the ability of a holder to recover amounts due under the FHL Wholesale Corporate Bonds. In assessing potential default risk, a bondholder should consider the periodic and continuous disclosures made by the Issuer.

You should consider if the credit risk of these debt securities is suitable for you.

This summary does not cover all of the risks of investing in the FHL Wholesale Corporate Bonds. You should also read [section 9](#) of this IM (Risks of investing) and [section 5](#) of this IM (Key features of the FHL Wholesale Corporate Bonds).

NO CREDIT RATING

The Issuer's credit worthiness has not been assessed by an approved rating agency. This means that the Issuer has not received an independent opinion of its capability and willingness to repay its debts from an approved source.

NO UNDERWRITING

The FHL Wholesale Corporate Bond Offer is not underwritten.

WHERE YOU CAN FIND OTHER MARKET INFORMATION ABOUT THE ISSUER

This is an Information Memorandum that the Issuer is permitted to use.

The FHL Wholesale Corporate Bond will be quoted and traded on the SPX OTC Market.

The Issuer is subject to a disclosure obligation that requires it to notify certain material information to the SPX for the purpose of that information being made available to participants in the market.

Further information on FHL may be accessed on the South Pacific Stock Exchange website – https://market-reports.spx.com.fj/Company.aspx?code=FHL_





7th Floor, Ra Marama
91 Gordon Street, Suva
Post Office Box 2110
Government Buildings
Suva, Fiji
Telephone: (679) 330 5017
Mobile: (679) 999 9540
Facsimile: (679) 330 6209
Email: sitiw@fijianholdings.com.fj
Website: www.fijianholdings.com.fj

Dear Investor,

I am pleased to present the opportunity to invest in secured fixed rate FHL Wholesale Corporate Bonds to be issued by Fijian Holdings Limited (FHL).

FHL is a principal investment firm directly investing in the manufacturing, building & construction, tourism, property, financial services, media, communications and retail sectors. FHL shareholders include Provincial Councils, the iTaukei Affairs Board, iTaukei Trust Fund Board, iTaukei Land Trust Board, Tikina and Village Groups, iTaukei Co-operatives, Individual and Family companies. The company's core purpose is to accelerate the participation of iTaukei in the commercial sector and in doing so, enhance their socio-economic standing.

The Offer is seeking to raise \$30 million. The proceeds of the Offer will be used to:

- repay a portion of FHL's existing drawn bank debt, providing some diversification of funding sources and tenor.
- for related entities advances.
- for general corporate purposes.

Corporate Bonds can be a good investment for those looking for safety and a fixed rate of interest that's paid quarterly until the bond's maturity. Bonds are an important piece of an investment portfolio's asset allocation since the steady return from bonds helps offset the volatility of equity prices.

There are risks associated with the FHL Wholesale Corporate Bonds that may affect your returns and repayment of your investment. An overview of these risks is set out in this IM. I encourage you to seek financial, investment or other advice from a qualified professional adviser as you take time to consider this Offer.

On behalf of the Board, I welcome your participation in the Offer and your support of FHL.

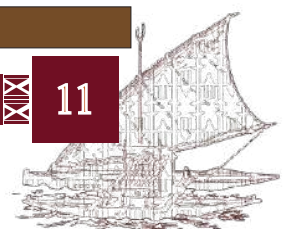
Yours sincerely,

Fijian Holdings Limited



Yogesh Karan

Acting Chairman



02 KEY DATES AND OFFER PROCESS

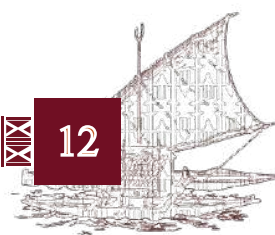
| | |
|---|--|
| Opening Date | 18 November 2022 |
| Closing Date | 28 November 2022 at 3.00pm |
| Issue Date and allotment date | 30 November 2022 |
| Expected date of initial quotation and trading of the FHL Wholesale Corporate Bonds on the SPX and earliest expected mailing of holding statements | 2 December 2022 |
| Interest Payment Dates | Quarterly in arrears in equal payments on 31 March, 30 June, 30 September and 31 December in each year (or if that day is not a Business Day, the next Business Day) until and including the Maturity Date, with the First Interest Payment Date being 31 March 2023 and the Last Interest Payment will be on a pro-rata basis from the date of issue of the FHL Wholesale Corporate Bond. |
| First Interest Payment Date | 31 March 2023 |
| Maturity Dates | 30 November 2025 for 3-year bond 30 November 2027 for 5-year bond 30 November 2029 for 7-year bond |

The timetable is indicative only and subject to change. The Issuer may, in its absolute discretion and without notice, vary the timetable (including by opening or closing the Offer early, accepting late applications and extending the Closing Date).

If the Closing Date is extended, the Issue Date, the expected date of initial quotation and trading of the FHL Wholesale Corporate Bonds on the SPX, the Interest Payment Dates and the Maturity Date may also be extended. Any such changes will not affect the validity of any applications received.

The Issuer reserves the right to cancel the Offer and the issue of the FHL Wholesale Corporate Bonds, in which case any application monies received will be refunded (without interest) as soon as practicable and in any event within 5 Business Days of the cancellation.

Any changes will be notified to the SPX for release to the market on the SPX Website: www.spx.com.fj.



03

TERMS OF THE OFFER



| | |
|--|--|
| ISSUER | Fijian Holdings Limited |
| DESCRIPTION OF THE BONDS | Secured fixed rate FHL Wholesale Corporate Bonds |
| ISSUE DATE AND ALLOTMENT DATE | 30 November 2022 |
| TERM | 3 years, maturing on 30 November 2025. 5 years, maturing on 30 November 2027. 7 years, maturing on 30 November 2029. |
| OFFER AMOUNT | \$30 million |
| ISSUE PRICE | \$1,000 per Bond, being the Principal Amount of each Bond. Each bond has an issue price of \$1000. An investor may apply for a minimum of \$200,000 worth of FHL Bonds and multiples of \$1,000 thereafter. |
| INTEREST RATE (COUPON FIXED RATE) | The FHL Wholesale Corporate Bonds will pay a fixed rate of interest until the Maturity Date The Interest Rate will be 3.00% for 3 years bond. The Interest Rate will be 3.50% for 5 years bond. The Interest Rate will be 3.75% for 7 years bond. |
| INTEREST PAYMENT DATES | Quarterly in arrears in equal payments on 31 March, 30 June, 30 September and 31 December in each year (or if that day is not a Business Day, the next Business Day) until and including the Maturity Date, with the First Interest Payment Date being 31 March 2023 and the Last Interest Payment will be on a pro-rata basis from the date of issue of the FHL Wholesale Corporate Bond. |
| INTEREST PAYMENTS AND ENTITLEMENT | Regular scheduled payments of interest will be of equal quarterly amounts. On Interest Payment Dates interest will be paid to the person registered as the Bondholder as at the record date immediately preceding the relevant Interest Payment Date. The record date for interest payments is 5.00pm on the date that is 10 days before the relevant scheduled Interest Payment Date (prior to any adjustment to the Interest Payment Date to fall on a Business Day). If the record date falls on a day which is not a Business Day, the record date will be the immediately preceding Business Day. |
| OPENING DATE | 18 November 2022. |
| CLOSING DATE | 30 November 2022 at 3.00pm. |
| SCALING | The Issuer may scale applications at its discretion, but will not scale any application to below \$200,000 or to an amount that is not a multiple of \$1000. |
| MINIMUM APPLICATION AMOUNT | \$200,000 and multiples of \$1000 thereafter. |
| HOW TO APPLY | Application instructions are set out in section 15 of this IM (<i>How to apply</i>). The Issuer reserves the right to refuse all or any part of any application for Bonds under the Offer without giving a reason. |
| NO UNDERWRITING | The Offer is not underwritten. |



| | |
|------------------------------|---|
| QUOTATION | <p>Application will be made to SPX for permission to list the FHL Wholesale Corporate Bonds on the OTC Market of the SPX and all the requirements of SPX relating to that quotation that can be complied with on or before the date of distribution of this IM have been duly complied with. However, the FHL Wholesale Corporate Bonds have not yet been approved for trading and SPX accepts no responsibility for any statement in this IM.</p> <p>SPX ticker codes [FHLWCB30112025/FHLWCB30112027/FHLWCB30112029] has been reserved for the FHL Wholesale Corporate Bonds.</p> |
| TRANSFER RESTRICTIONS | <p>The Issuer may decline to accept or register a transfer of the FHL Wholesale Corporate Bonds if the transfer would result in the transferor or the transferee holding or continuing to hold Bonds with a Principal Amount of less than \$200,000 (if not zero) or if the transfer is not in multiples of \$1000.</p> <p>The trust deed includes a provision prohibiting a transfer to any person who does not qualify as an eligible investor. Section 4 (1) of the Companies (Wholesale Corporate Bonds) Regulations 2021 states <i>that a Wholesale Corporate Bond must only be offered or issued to investor that falls into one or more of the following categories:</i></p> <ul style="list-style-type: none"> (a) a bank, credit institution or other financial institution licensed by the Reserve Bank of Fiji under the Banking Act 1995; (b) a credit union licensed under the Credit Unions Act 1954; (c) a licensed investment adviser and any other licensee for capital markets activities approved under the Companies Act 2015; (d) an approved securities exchange or central depository licensed by the Reserve Bank of Fiji under the Companies Act 2015; (e) an insurance company licensed by the Reserve Bank of Fiji to conduct insurance business under the Insurance Act 1998; (f) a fund established by, or approved under, the Fiji National Provident Fund Act 2011; (g) an approved managed investment scheme licensed by the Reserve Bank of Fiji under the Companies Act 2015; (h) the Fiji Development Bank; (i) a foreign entity that is the equivalent in its country of operation or domicile of the entities covered in one or more of the preceding paragraphs, and which makes its investment through a licensed investment adviser; (j) a multilateral development bank; and (k) any other investor that purchases securities with a value of more than FJ\$200,000, provided that the purchase of the FHL Wholesale Corporate Bond is on the advice of a licensed investment adviser. <p>Each investor under sub-regulation 4(1)(k) must purchase securities as a single investor without beneficial ownership being shared with any other investor, and joint applications to purchase securities are prohibited.</p> <p>In accordance with section 4 (3) of the Companies (Wholesale Corporate Bonds) Regulations 2021, the trust deed includes a provision prohibiting a transfer to any person who does not qualify as an eligible investor.</p> <p>Accordingly, if any such above transfer is made, the issuer will be responsible for arranging for the non-eligible investor to be divested, remitting the sale proceeds to the non-eligible investor and the issuer is responsible for brokerage and other selling costs of any such transfer.</p> |
| RANKING | <p>The FHL Wholesale Corporate Bonds have priority over registered first mortgages held by BRED Bank ahead of unsecured liabilities and shareholders of the Issuer under the Deed of Priority.</p> <p>Further important information on the ranking of the FHL Wholesale Corporate Bonds can be found in section 5 of this IM (<i>Key features of the FHL Wholesale Corporate Bonds</i>).</p> |



| GUARANTEE AND SECURITY | <p>The FHL Wholesale Corporate Bonds have the benefit of:</p> <ul style="list-style-type: none"> the Security, which includes: <ul style="list-style-type: none"> Mortgages in favour of the Security Trustee, including Second Registered Mortgages over the following properties with priority of \$30m: <table border="1" data-bbox="541 537 1457 782"> <thead> <tr> <th>Registered Owner</th> <th>Property Name</th> <th>Property Address</th> <th>Legal Description</th> <th>Zoning</th> <th>Market Value (VEP)</th> <th>Date of Valuation</th> <th>Valuer</th> </tr> </thead> <tbody> <tr> <td>FHL Properties Pte Limited</td> <td>Lot 1, Ratu Sukuna House</td> <td>229-249 Victoria Prd, Suva</td> <td>Lot 1, DP 3929 - CT 4098 (810 sq mtrs)</td> <td>Commercial</td> <td>\$12,026,000</td> <td>30-June-22</td> <td>Rolle Associates</td> </tr> <tr> <td>FHL Properties Pte Limited</td> <td>Lot 1, Vanua House</td> <td>77 Victoria Prd, Suva</td> <td>Lot 1, DP 2763 - CT 19239 (1181 sq mtrs)</td> <td>Commercial</td> <td>\$15,232,000</td> <td>30-June-22</td> <td>Rolle Associates</td> </tr> <tr> <td>FHL Properties Pte Limited</td> <td>Lot 51, Ra Marama House</td> <td>91 Gordon St, Ra Marama Hse, Suva</td> <td>Lot 51, DP 2236 - CL 12609 (1292 sq mtrs)</td> <td>Commercial</td> <td>\$19,100,000</td> <td>30-June-22</td> <td>Rolle Associates</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Deed of Priority between BRED Bank (Fiji) Pte Ltd, FHL Properties Pte Limited and SPX Trustees Limited over the above mentioned securities with first priority ranking limited to \$30,000,000 to be accorded to SPX Trustees Limited in the event of default. <p>More information on the Guarantee and the Security can be found in section 5 of this IM (<i>Key features of the FHL Wholesale Corporate Bonds</i>).</p> | Registered Owner | Property Name | Property Address | Legal Description | Zoning | Market Value (VEP) | Date of Valuation | Valuer | FHL Properties Pte Limited | Lot 1, Ratu Sukuna House | 229-249 Victoria Prd, Suva | Lot 1, DP 3929 - CT 4098 (810 sq mtrs) | Commercial | \$12,026,000 | 30-June-22 | Rolle Associates | FHL Properties Pte Limited | Lot 1, Vanua House | 77 Victoria Prd, Suva | Lot 1, DP 2763 - CT 19239 (1181 sq mtrs) | Commercial | \$15,232,000 | 30-June-22 | Rolle Associates | FHL Properties Pte Limited | Lot 51, Ra Marama House | 91 Gordon St, Ra Marama Hse, Suva | Lot 51, DP 2236 - CL 12609 (1292 sq mtrs) | Commercial | \$19,100,000 | 30-June-22 | Rolle Associates |
|---|---|-----------------------------------|---|------------------|--------------------|-------------------|--------------------|-------------------|--------|----------------------------|--------------------------|----------------------------|--|------------|--------------|------------|------------------|----------------------------|--------------------|-----------------------|--|------------|--------------|------------|------------------|----------------------------|-------------------------|-----------------------------------|---|------------|--------------|------------|------------------|
| Registered Owner | Property Name | Property Address | Legal Description | Zoning | Market Value (VEP) | Date of Valuation | Valuer | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FHL Properties Pte Limited | Lot 1, Ratu Sukuna House | 229-249 Victoria Prd, Suva | Lot 1, DP 3929 - CT 4098 (810 sq mtrs) | Commercial | \$12,026,000 | 30-June-22 | Rolle Associates | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FHL Properties Pte Limited | Lot 1, Vanua House | 77 Victoria Prd, Suva | Lot 1, DP 2763 - CT 19239 (1181 sq mtrs) | Commercial | \$15,232,000 | 30-June-22 | Rolle Associates | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FHL Properties Pte Limited | Lot 51, Ra Marama House | 91 Gordon St, Ra Marama Hse, Suva | Lot 51, DP 2236 - CL 12609 (1292 sq mtrs) | Commercial | \$19,100,000 | 30-June-22 | Rolle Associates | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FINANCIAL COVENANT (LOAN TO VALUATION RATIO) | <p>The Issuer agrees to ensure that, on each Semi-annual Test Date, the total amount of financial indebtedness secured against the Land subject to the Security is not more than 100% of the valuation of that Land (which includes permanent buildings and improvements), as described further in section 5 of this IM (<i>Key features of the FHL Wholesale Corporate Bonds</i>).</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EARLY REDEMPTION | <p>Neither you nor the Issuer are able to redeem the FHL Wholesale Corporate Bonds before the Maturity Date.</p> <p>However, the Issuer may be required to repay the FHL Wholesale Corporate Bonds early if there is an Event of Default (as described below). See section 5 of this IM (<i>Key features of the FHL Wholesale Corporate Bonds</i>) for further details.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EVENTS OF DEFAULT | <p>If an Event of Default occurs, and is continuing, the Trustee may in its discretion, and must in certain circumstances including upon being directed to do so by an Extraordinary Resolution of Bondholders, declare the FHL Wholesale Corporate Bonds to be immediately due and payable.</p> <p>The Events of Default are set out in Terms of the FHL Wholesale Corporate Bonds and are summarised in section 5 of this IM (<i>Key features of the FHL Wholesale Corporate Bonds</i>).</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FURTHER PAYMENTS, FEES OR CHARGES | <p>You are not required to pay brokerage or any other fees or charges to the Issuer to purchase the FHL Wholesale Corporate Bonds.</p> <p>Any bond trading on the SPX OTC Market (secondary market) will have brokerage costs as well as the relevant SPX and RBF fees. Please contact your broker for further information on any brokerage fees.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SELLING RESTRICTIONS | <p>The Offer is subject to certain selling restrictions and you will be required to indemnify certain people if you breach these. More information on this can be found in section 5 of this IM (<i>Key features of the FHL Wholesale Corporate Bonds</i>).</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| GOVERNING LAW | <p>Laws of Fiji.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TRUSTEE | <p>SPX Trustees Limited Shop 1 and 11, Sabrina Building, Victoria Parade, Suva</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SECURITY REGISTRAR | <p>Central Share Registry Pte Limited Shop 1 and 11, Sabrina Building, Victoria Parade, Suva</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



DOCUMENTS

The terms of the FHL Wholesale Corporate Bonds, and other terms key to the Offer, are set out in:

- the Trust Deed
- Deed of Priority with Bred Bank
- Information Memorandum
- Subscription Agreement
- Bondholder Statement

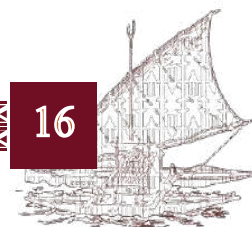
Copies may be inspected at the Registered Office of the Company.



Ra Marama House



Ratu Sukuna House



04 PURPOSE OF THE OFFER

The proceeds of this Offer will be used to:

- repay a portion of FHL Properties Pte Limited's (FHPL) existing drawn bank debt (\$15 million drawn down in 2022), providing some diversification of funding sources and tenure;
- repay a portion of FHL's debt of \$15million; and
- for general corporate purposes.

There is no restriction on the purposes for which FHL may use funds advanced.

The Offer is not underwritten.



05 KEY FEATURES OF THE FHL WHOLESALE CORPORATE BONDS

A number of key features of the FHL Wholesale Corporate Bonds are described in [section 3](#) of this IM (Terms of the Offer). The other key features of the FHL Wholesale Corporate Bonds are described below.

TRUSTEES TO THE OFFERING

SPX Trustees Limited has been appointed as the Trustee to this Bond Issue. The Company and the Trustee have executed a Trust Deed. In the application form for subscription of bonds the applications are required to irrevocably authorize the trustee, subject to any overriding clauses in the Trust Deed to act as their agent in entering in to such deeds, writing and instruments with the Company and to act as trustee for the benefit of and interest of the bondholders on the terms and conditions contained in the said Trust Deed, including in the event of default.

The rights and the Obligations of the Trustee are set out in the Trust Deed which is hosted on SPX and FHL website.

DUTIES OF TRUSTEE

The Trustee must comply with its obligations under the Trust Deed and under section 313 of the Companies Act the Trustee of a trust deed entered into under section 296 must—

(a) exercise reasonable diligence to ascertain whether the Property of the borrower and of each guarantor that is or should be available (whether by way of security or otherwise) will be sufficient to repay the amount deposited or lent when it becomes due;

(b) exercise reasonable diligence to ascertain whether the borrower or any guarantor has committed any breach of—

- (i) the terms of the Debentures; or
- (ii) the provisions of the trust deed or this Part;

(c) do everything in its power to ensure that the borrower or a guarantor remedies any breach;

(d) notify the Registrar as soon as practicable if the borrower or guarantor has not complied with Part 27 of the Companies Act;

(e) give the Debenture Holders a statement explaining the effect of any proposal that the borrower submits to the Debenture Holders before any meeting called in accordance with this Part;

(f) comply with any directions given to it at a Debenture Holders' meeting unless the trustee—

(i) is of the opinion that the direction is inconsistent with the terms of the Debentures or the provisions of the trust deed or this Act or is otherwise objectionable; and

(ii) has either obtained, or is in the process of obtaining, an order from the Court under section 320 setting aside or varying the direction; and

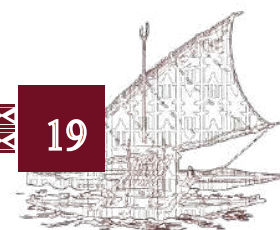
(g) apply to the Court for an order under section 321 if the borrower requests it to do so.



FHL's General Duties

In respect of each bond series, FHL, as the issuer of the FHL Wholesale Corporate Bond, must:

- a) make all of its financial and other records available for inspection by:
 - (i) the Trustee;
 - (ii) an officer or employee of the Trustee authorised by the Trustee to carry out the inspection; or
 - (iii) a registered company auditor appointed by the Trustee to carry out the inspection, and give them any information, explanations or other assistance that they may reasonably require about matters relating to those records;
- b) for so long as any of the FHL Wholesale Corporate Bonds remain outstanding:
 - (i) notify the Trustee promptly after it becomes aware of an Event of Default or a breach by the Issuer of Part 27 of the Companies Act or the Terms;
 - (ii) carry on and conduct its business in a proper and efficient manner;
 - (iii) keep proper books of account (in accordance with current accounting practice and standards);
 - (iv) if requested by a Debenture Holder or the Trustee, promptly provide a copy of this Trust deed (without charge) to that Debenture Holder or the Trustee; and
 - (v) maintain, or cause to be maintained, a Register;
- c) if FHL creates a security interest (as defined in the Personal Property Securities Act 2017), provide the Trustee with written details of the security interest within 21 days after it is created and, if the total amount to be advanced on the security of the charge is indeterminate and the advances are not merged in a current account with bankers, trade creditors or anyone else, provide the Trustee with written details of the amount of each advance within seven days after it is made;
- d) comply with the Trust Deed and the Terms; and
- e) provide to the Trustee (without charge):
 - (i) within 120 days after the close of each financial year, a copy of its audited financial statements lodged with the South Pacific Stock Exchange in respect of that financial year;
 - (ii) within 90 days after the close of each applicable financial half year, a copy of its unaudited financial statements lodged with the South Pacific Stock Exchange in respect of that half year;
 - (iii) promptly, copies of all documents and notices given to Debenture Holder and any annual reports produced; and
- (iv) all other information or reports required to be provided to the Trustee under the Companies Act or requested by the Trustee which is reasonably required for the purposes of the discharge of the duties, trusts and powers vested in the Trustee under this trust deed or imposed upon it by law and, if requested by a Holder, provide copies of any of the above to such Debenture Holder within a reasonable time of such request;
- f) comply with all statutory and regulatory requirements applicable to it (including under Part 27 of the Companies Act) to the extent they relate to its obligations under the Transaction Documents, where a failure to do so would have or would be likely to have a Material Adverse Effect;
- g) promptly after redeeming or cancelling any FHL Wholesale Corporate Bond in full, give the Trustee details of that redemption or cancellation;
- h) do any other thing reasonably requested by the Trustee to enable the Trustee to comply with the Trustee's obligations under the Trust Deed, the Companies Act (or any other laws binding on the Trustee with respect to the Trust or any FHL Wholesale Corporate Bonds).



Reports

FHL will undertake to comply with its reporting obligations to the Trustee, to the Debenture Holders, South Pacific Stock Exchange and the Registrar under the Companies Act (including section 307 and section 402 of the Companies Act). For the purpose of section 307 of the Companies Act, the FHL fixes 30 September as the last day of the relevant first quarter.

Authorisations

FHL undertakes to promptly obtain and renew all necessary consents, filings and authorisations relating to its business and the entry into and performance of its obligations under any Transaction Document where failure to do so would have or would be likely to have a Material Adverse Effect.

EVENTS OF DEFAULT

Each of the following events is an event of default:

- (a) (default in payment) if the Issuer defaults in the payment of any Moneys Owing in respect of the FHL Wholesale Corporate Bonds and that default is not remedied to the satisfaction of the Trustee by Issuer or any guarantor within 14 days after demand for those moneys is made by the Trustee;
- (b) (material breach) if the Issuer or any guarantor commits a material breach of any other covenant, condition or obligation imposed on it by the Trust Deed or other Transaction Document and that breach has not been remedied to the satisfaction of the Trustee within 14 days of receiving notice of the breach from the Trustee requiring that breach to be remedied;
- (c) (winding-up) if an order is made or a resolution is effectively passed for the winding-up of the Issuer or any guarantor, except for the purposes of a reconstruction or amalgamation with the prior written consent of the Trustee (such consent not to be unreasonably withheld);
- (d) (insolvency) if the Issuer is unable to pay its debts within the meaning of the Companies Act; and
- (e) (liquidation) if Issuer or any guarantor enters into liquidation.

RANKING

In the event of a winding up of the FHL Wholesale Corporate Bond Issuer, holders of FHL Bonds, if paid at all, will have first priority ranking limited to \$30m accorded to SPX Trustees Limited, under the Deed of Priority between Bred Bank (Fiji) Pte Limited, FHL Properties Pte Limited and SPX Trustees Limited. Corporate Bond Holders will rank ahead of holders of subordinated debt, ordinary shares, or unsecured creditors (if any) in the Bond Issuer (FHL).

THE SECURITY

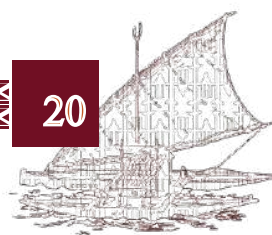
The Guarantors provide the following Security:

- the Security, which includes:
 - Mortgages in favour of the Security Trustee, including Second Registered Mortgages over the following properties with priority of \$30m:

| Registered Owner | Property Details | | | | Market Value (VEP) | Date of Valuation | Valuer |
|----------------------------|--------------------------|-----------------------------------|---|------------|--------------------|-------------------|------------------|
| | Property Name | Property Address | Legal Description | Zoning | | | |
| FHL Properties Pte Limited | Lot 1, Ratu Sukuna House | 229-249 Victoria Prd, Suva | Lot 1, DP 3929 - CT 4098 (810 sq mtrs) | Commercial | \$12,026,000 | 30-June-22 | Rolle Associates |
| FHL Properties Pte Limited | Lot 1, Vanua House | 77 Victoria Prd, Suva | Lot 1, DP 2763 - CT 19239 (1181 sq mtrs) | Commercial | \$15,232,000 | 30-June-22 | Rolle Associates |
| FHL Properties Pte Limited | Lot 51, Ra Marama House | 91 Gordon St, Ra Marama Hse, Suva | Lot 51, DP 2236 - CL 12609 (1292 sq mtrs) | Commercial | \$19,100,000 | 30-June-22 | Rolle Associates |

* the market values are as per the Independent Market Valuation Reports dated June 2022 by Rolle Associates Pte Limited.

- Deed of Priority between BRED Bank (Fiji) Pte Ltd, FHL Properties Pte Limited and SPX Trustees Limited over the above mentioned securities with first priority ranking limited to \$30,000,000 to be accorded to SPX Trustees Limited in the event of default.



06 HISTORICAL FINANCIAL INFORMATION



HISTORICAL FINANCIAL INFORMATION FOR THE FHL GROUP FOUR YEARS ENDED 30 JUNE

The table below summarises the historical financial information of FHL Group for the financial periods ended 30 June 2019, 2020, 30 June 2021 and 30 June 2022 as reported in the audited financial statements available at the SPX website (www.spx.com.fj) which is in the public domain and can be publicly accessed and is hereby incorporated by reference in this Information Memorandum. The most recent annual report of the Company is available at <https://announcements.spx.com.fj/ftp/news/021728479.PDF> and contains the auditors report on page 32. This financial information should be read in conjunction with the details, including the policies and accounting notes, as presented in the audited financial statements, which are included in the Annual Report.

The audited financial statements have been lodged with SPX and are available on SPX website: www.spx.com.fj.

The Company's future financial performance may be impacted by the risk factors as set out in [section 9](#) of this Information Memorandum.

Neither the Company nor the Directors can give any assurance that any implied forecasts or any prospective statement contained in this Information Memorandum will be achieved. Events and outcomes might differ in quantum and timing from the assumptions with a material consequential impact on the Company.

| FHL Consolidated & Subsidiary Companies | | | | |
|---|------------------|------------------|------------------------------|------------------|
| Statements of Profit or Loss and Other Comprehensive Income | | | | |
| | Jun-22 \$'000 | Jun-21 \$'000 | Jun-20 \$'000 Restated | Jun-19 \$'000 |
| Revenue | | | | |
| Operating revenue | 250,852 | 222,254 | 289,764 | 325,584 |
| Other income | 2,357 | 1,157 | 1,000 | 5,174 |
| | 253,209 | 223,411 | 290,764 | 330,758 |
| Expenses | | | | |
| Changes in inventories of finished goods and work in progress | (112,135) | (106,375) | (112,082) | (105,568) |
| Raw materials and consumables used | (37,911) | (39,943) | (48,057) | (50,604) |
| Direct operating expenses | (11,163) | (7,270) | (22,186) | (32,321) |
| Staff costs | (25,239) | (21,054) | (29,205) | (30,076) |
| Depreciation and amortisation | (14,194) | (17,076) | (16,746) | (15,667) |
| Impairment loss on property, plant & equipment | (1,405) | (5,845) | (525) | - |
| Impairment loss on loans, advances and receivables | (7,638) | (6,939) | (12,426) | (3,441) |
| Impairment loss on Equity Investment | - | (5,797) | - | - |
| Other operating expenses | (28,658) | (30,628) | (41,170) | (48,170) |
| | (238,343) | (240,927) | (282,397) | (285,847) |
| Operating profit | 14,866 | (17,516) | 8,367 | 44,911 |
| Finance income - interest revenue | 363 | 379 | 556 | 403 |
| Finance income - other | - | - | 131 | 150 |
| Finance costs | (5,912) | (5,969) | (6,705) | (5,159) |
| Net finance costs | (5,549) | (5,590) | (6,018) | (4,606) |
| Share of profit in associates, net of tax | 9,309 | 7,147 | 5,340 | 5,136 |
| Profit/(Loss) before income tax | 18,626 | (15,959) | 7,689 | 45,441 |
| Income tax expense | (3,723) | (1,638) | (1,646) | (8,755) |
| Profit/(Loss) after tax | 14,903 | (17,597) | 6,043 | 36,686 |

Source: Extracted from FHL's signed audited financial statements



HISTORICAL FINANCIAL INFORMATION FOR THE FHL GROUP FOUR YEARS ENDED 30 JUNE (CONT'D)

| FHL Consolidated & Subsidiary Companies | | | | |
|--|----------------|----------------|-----------------|-----------------|
| Statements of Financial Position | | | | |
| | Jun-22 | Jun-21 | Jun-20 | Jun-19 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| | | | Restated | Restated |
| ASSETS | | | | |
| Cash and cash equivalents | 25,817 | 33,735 | 32,787 | 20,038 |
| Debt Securities | 20,019 | 13,962 | 6,232 | 10,942 |
| Inventories | 44,075 | 34,491 | 38,777 | 41,029 |
| Equity securities | 23,983 | 25,229 | 24,667 | 29,366 |
| Investments in associates | 43,099 | 36,878 | 38,964 | 30,784 |
| Trade and other receivables | 21,779 | 22,837 | 27,113 | 36,279 |
| Loans and advances | 126,025 | 141,618 | 161,164 | 164,974 |
| Current tax asset | 510 | 2,798 | 3,060 | 1,109 |
| Investment properties | 93,016 | 77,632 | 62,158 | 53,954 |
| Property, plant and equipment | 142,761 | 150,044 | 164,755 | 156,055 |
| Intangible assets | 59,793 | 60,204 | 60,865 | 61,450 |
| Right of use assets | 15,165 | 15,551 | 18,138 | 20,179 |
| Other assets | 2,477 | 1,634 | 3,199 | 4,765 |
| Deferred tax assets | 12,961 | 8,123 | 6,428 | 7,407 |
| Total assets | 631,480 | 624,736 | 648,307 | 638,331 |
| LIABILITIES | | | | |
| Payables and provisions | 56,310 | 42,061 | 33,682 | 30,740 |
| Contract liabilities | 5,667 | 3,658 | 3,344 | 5,829 |
| Dividends payable | 4,723 | 4,918 | 4,180 | 4,045 |
| Employee entitlements | 2,058 | 1,086 | 1,013 | 1,919 |
| Lease liabilities | 15,256 | 15,001 | 16,644 | 17,866 |
| Borrowings | 249,516 | 280,080 | 290,362 | 258,940 |
| Deferred tax liabilities | 17,674 | 11,793 | 11,171 | 15,141 |
| Total liabilities | 351,204 | 358,597 | 360,396 | 334,480 |
| Net assets | 280,276 | 266,139 | 287,911 | 303,851 |
| SHAREHOLDERS EQUITY | | | | |
| Share capital | 30,465 | 30,465 | 30,465 | 30,465 |
| Reserves | 30,040 | 28,861 | 29,492 | 38,667 |
| Retained earnings | 173,227 | 167,031 | 180,789 | 181,450 |
| Attributable to members of the holding company | 233,732 | 226,357 | 240,746 | 250,582 |
| Non-controlling interest | 46,544 | 39,782 | 47,165 | 53,269 |
| Total shareholders' equity | 280,276 | 266,139 | 287,911 | 303,851 |

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HISTORICAL FINANCIAL INFORMATION FOR THE FHL GROUP FOUR YEARS ENDED 30 JUNE (CONT'D)

| FHL Consolidated & Subsidiary Companies | | | | |
|--|-----------------|-----------------|-----------------|-----------------|
| Statements of Cash Flows | | | | |
| | Jun-22 | Jun-21 | Jun-20 | Jun-19 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash flows from operating activities | | | | |
| Cash receipts from customers | 237,499 | 209,509 | 278,315 | 301,195 |
| Cash paid to suppliers and employees | (208,179) | (191,028) | (251,848) | (275,291) |
| Cash generated from/ (used in) operating activities | 29,320 | 18,481 | 26,467 | 25,904 |
| Dividends received | 5,398 | 5,119 | 4,373 | 3,738 |
| Management fees paid | (3,587) | (3,615) | (3,781) | (3,219) |
| Net customer loans collected/ (granted) | 11,816 | 13,767 | (6,550) | (34,394) |
| Net (decrease)/ increase in deposits | (28,245) | (13,837) | 17,282 | 26,859 |
| Interest received | 22,686 | 23,829 | 25,111 | 24,652 |
| Other income received | - | 23 | 29 | 645 |
| Interest paid | (12,351) | (12,489) | (15,032) | (11,339) |
| Net income taxes paid | (620) | (2,095) | (6,115) | (8,835) |
| Net cash from operating activities | 24,417 | 29,183 | 41,784 | 24,011 |
| Cash flows from investing activities | | | | |
| Acquisition of property, plant and equipment and investment properties | (20,758) | (16,567) | (27,525) | (30,131) |
| Refund of/ (payment for) share deposit | (1,762) | 147 | (310) | (592) |
| Investment in equity securities | - | (300) | (6,800) | (353) |
| Proceeds from disposal of equity securities | 5,400 | 17 | - | 18 |
| Proceeds from disposal of property, plant and equipment and assets held for sale | 478 | 111 | 147 | 1,357 |
| Acquisition of intangible assets | (182) | (113) | (124) | (155) |
| Net cash from investing activities | (16,824) | (16,705) | (34,612) | (29,856) |
| Cash flows from financing activities | | | | |
| Dividends paid to the Company's shareholders | (1,523) | (1,249) | (7,525) | (7,464) |
| (Payment for)/ proceeds from debt securities, net | (6,058) | (7,438) | 2,152 | 8,059 |
| Dividends paid to non-controlling interests | (3,651) | (2,293) | (4,118) | (4,669) |
| Payment of lease liabilities | (2,400) | (2,539) | (1,242) | (2,421) |
| Proceed from issue of shares | - | - | 100 | 1,535 |
| Net movement in related party loans | - | 258 | - | (2,800) |
| Net movement in loans | 25,366 | (3,102) | 17,273 | 3,890 |
| Net cash from financing activities | 11,734 | (16,363) | 6,640 | (3,870) |
| Net increase in cash and cash equivalents | 19,327 | (3,885) | 13,812 | (9,715) |
| Cash and cash equivalents at the beginning of the year | 1,007 | 4,902 | (8,908) | 815 |
| Effect of exchange rate changes on cash | (7) | (10) | (2) | (8) |
| Cash and cash equivalents at the end of the year | 20,327 | 1,007 | 4,902 | (8,908) |

Source: Extracted from FHL's signed audited financial statements



07 FINANCIAL PROJECTIONS



THREE-YEAR FINANCIAL PROJECTIONS FOR THE FHL GROUP

Financial projections for the FHL Group financial years 2023 – 2025 and associated hypothetical assumptions are provided below. These projections were prepared by FHL only for the purpose of this Information Memorandum, and were independently reviewed by Independent Accountants, PricewaterhouseCoopers, and should be read in conjunction with the Independent Accountant's Report in Section 8. The basis of preparation of the financial projections are in accordance with the recognition and measurement principles of the International Financial Reporting Standard.

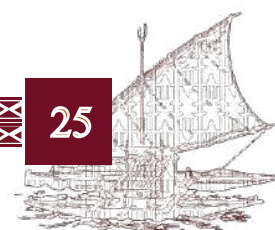
Statements of Projected Profit or Loss and Other Comprehensive Income

| FHL GROUP | | | |
|--|--------------------------|--------------------------|--------------------------|
| Statements of Projected Profit or Loss and Other Comprehensive Income | | | |
| | June-23 \$'000 | June-24 \$'000 | June-25 \$'000 |
| Revenue | | | |
| Operating revenue | 324,906 | 376,540 | 406,441 |
| Other income | 4,411 | 5,366 | 6,130 |
| | 329,317 | 381,906 | 412,571 |
| Expenses | | | |
| Cost of goods sold | 213,768 | 248,996 | 264,494 |
| Staff costs | 33,189 | 36,217 | 37,959 |
| Depreciation and amortisation costs | 16,262 | 16,667 | 16,467 |
| Impairment loss on loans, advances and receivables | 3,078 | 2,927 | 2,348 |
| Other operating expenses | 29,209 | 29,706 | 32,100 |
| | 295,506 | 334,513 | 353,368 |
| Operating profit | 33,811 | 47,393 | 59,203 |
| Finance income | 185 | 273 | 287 |
| Finance costs | 7,179 | 8,869 | 8,502 |
| Net finance cost | (6,994) | (8,596) | (8,215) |
| | | | |
| Profit before tax | 26,817 | 38,797 | 50,988 |
| Income tax expense | (5,176) | (6,993) | (9,001) |
| Share of profit in associates - after tax | 9,774 | 10,752 | 11,827 |
| Profit for the year after tax | 31,415 | 42,556 | 53,814 |



Statements of Projected Financial Position

| FHL GROUP | | | |
|---|--------------------------|--------------------------|--------------------------|
| Statements of Projected Financial Position | | | |
| | June-23 \$'000 | June-24 \$'000 | June-25 \$'000 |
| ASSETS | | | |
| Cash and cash equivalents | 19,434 | 25,328 | 42,224 |
| Debt securities | 5,700 | 5,700 | 5,900 |
| Equity securities | 24,385 | 24,401 | 25,633 |
| Investment in associates | 38,687 | 61,687 | 61,687 |
| Loans, advances and receivables | 188,098 | 223,162 | 223,693 |
| Inventories | 40,090 | 44,261 | 44,605 |
| Investment properties | 136,124 | 136,801 | 139,142 |
| Property, plant & equipment | 150,856 | 141,105 | 140,642 |
| Rights of use assets | 12,133 | 9,444 | 10,467 |
| Intangible assets | 59,392 | 58,659 | 57,970 |
| Other Assets | 2,625 | 2,658 | 1,920 |
| Deferred tax assets | 11,607 | 10,198 | 9,750 |
| Total assets | 689,131 | 743,404 | 763,633 |
| LIABILITIES | | | |
| Payables | 32,436 | 35,371 | 33,976 |
| Contract Liabilities | 4,306 | 4,306 | 4,306 |
| Current tax liability | 384 | 51 | 115 |
| Dividend payable | 5,544 | 5,713 | 3,968 |
| Employee entitlements | 1,239 | 1,265 | 1,316 |
| Lease Liability | 12,835 | 10,553 | 11,546 |
| Borrowings | 326,652 | 341,820 | 324,860 |
| Deferred tax liabilities | 14,858 | 15,449 | 16,121 |
| Total Liabilities | 398,254 | 414,528 | 396,208 |
| Net Assets | 290,877 | 328,876 | 367,425 |
| SHAREHOLDERS' EQUITY | | | |
| Share capital | 30,465 | 30,465 | 30,465 |
| Reserves | 28,670 | 29,084 | 29,270 |
| Retained earnings | 180,476 | 214,784 | 248,534 |
| Attributable to members of the holding company | 239,611 | 274,333 | 308,269 |
| Minority shareholders' interest | 51,266 | 54,543 | 59,156 |
| Total shareholders' equity | 290,877 | 328,876 | 367,425 |



Statements of Projected Cash Flows

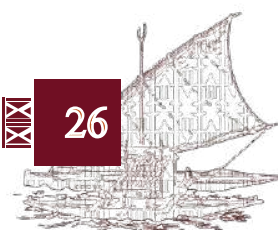
| FHL GROUP | | | |
|---|-----------------|-----------------|-----------------|
| Statements of Projected Cash Flows | | | |
| | June-23 | June-24 | June-25 |
| | \$'000 | \$'000 | \$'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash received from trading activities | 299,818 | 347,375 | 373,448 |
| Cash payments | (273,974) | (306,008) | (325,039) |
| Interest received | 22,499 | 23,711 | 24,181 |
| Dividend received | 4,060 | 5,000 | 6,409 |
| Interest paid | (10,705) | (13,036) | (12,623) |
| Income tax paid | (3,353) | (4,653) | (7,274) |
| Net customer loans granted | (9,425) | (9,897) | (6,485) |
| Net increase/ (decrease) in deposits | 4,522 | 6,189 | 6,273 |
| Net Cash Inflow from Operating Activities | 33,442 | 48,681 | 58,890 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Acquisition of fixed assets | (59,275) | (10,851) | (11,312) |
| Proceeds from sale of fixed assets | 20 | 1,496 | 30 |
| Acquisition of investment (net of cash) | (802) | (23,000) | - |
| Proceed from sale of investment | 1,316 | - | - |
| Net Cash Outflow from Investing Activities | (58,741) | (32,355) | (11,282) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Dividend paid | (3,046) | (3,046) | (3,046) |
| Dividend paid - NCI | (4,012) | (4,789) | (6,891) |
| Loan repayments - external party | 237 | 472 | 473 |
| Payment for lease liability | (1,221) | (1,440) | (1,520) |
| Net movement in loans | 41,854 | 1,594 | (20,532) |
| Net Cash Inflow/ (Outflow) from Financing Activities | 33,812 | (7,209) | (31,516) |
| NET INCREASE IN CASH HELD | 8,513 | 9,117 | 16,092 |
| Cash at beginning of period | 20,327 | 28,840 | 37,957 |
| Cash at end of period | 28,840 | 37,957 | 54,049 |

Key Assumptions

FHL Group is on the road to recovery. The Group recorded its first financial loss for the year ended June 2021, mainly as a result of the COVID19 pandemic as well as some loss-making investments. The focus in FY22 has been on strengthening our governance and recruitment of the right people.

In this regard, significant changes have been made including the following:

1. 8 leadership changes have been made including the FHL Group CEO, MFL CEO, BIL CEO, FHPL GM, FHUT GM, FTV GM, GMHR, and GMAR;
2. Some changes to Board memberships to bring in directors with relevant industry experience;
3. Introduction of key Group policies including a new dividend policy based on free cash flow;
4. Introduction of new investment policy;
5. Review of organization structures for most of the subsidiaries;
6. Divestment of two non-performing investments (SIL and Pernix);
7. Split banking arrangements;
8. Internal divestment of 10% of MFL shares to FHUT;



The positive impact from the above, together with the opening of Fiji borders in December 2021 has resulted in the positive results for the year ended June 2022. The Group has recorded a profit before tax of \$18.6m for FY22 compared to a loss of \$15.9m in FY21.

Strategic Priorities for FY2023-FY2025

Underpinned by the theme of “Consolidate, Transform and Grow” the Board has approved the Strategic Plan with the following 5 key priorities for the Group in the next 3 years:

1. Strengthening our Core subsidiaries;
2. Working-out the non-performing investments;
3. Completion and tenanted the FHL Tower;
4. Restructuring our financing capacity; and
5. Pursuing new investment opportunities.

| Note | Account | Assumptions |
|------|----------------|--|
| A. | Group Revenue | <ul style="list-style-type: none"> - Forecast improvements in Group performance for FY2023 is based on turnaround of SSC and BIL. This is on the back of the full opening of the Tourism sector and committed public infrastructure works. - Tourism arrivals has exceeded initial re-opening expectation with industry recovering up to 70% of 2019 arrivals number. SSC expects to see an increase in day cruises, resort connections and Blue Lagoon cruise year on year. Revenue also expected to be generated from Sabre (South Sea Sailing’s brand new 78-foot sailing catamaran). SSC revenue will grow further in FY2024 as the Yasawa market opens up and stabilises in 2025. Awesome Adventures Fiji products also expected to increase year on year by 10% in FY24 and FY25. - MFL operating revenue is expected to increase with the introduction of their new products such as unsecured loans, agriculture finance, white goods finance etc. Apart from portfolio growth, the asset quality will also improve as the economy grows. - Retail sector is expected to see an increase in the range of 7% - 8% in revenue driven by the consumer demand as we see economic recovery. - The construction division with planned projects on hand also expect to do better in construction industry compared to FY22. BIL is in the transition phase and accelerated turnaround is the prime focus for the company. Sales expected to grow by 3% to 5% in FY24 and FY25. |
| B. | Group Expenses | <ul style="list-style-type: none"> - Cost of sales increase is in correlation to increase in revenue. Supply chain disruptions, global inflationary pressure, elevated liquidity, freight increase etc. have been accounted for accordingly. - COGS to revenue is expected to be similar (prior to COVID) for the retail division whereas other division are expected to normalise by FY25. - Group expects major capex investments in FY23 especially in its construction sector which will have full impacts from FY24 onwards towards depreciation charges. Total investment planned for 3 years is around \$35m for the Group. It is critical to invest in PPE for ongoing business sustainability and to achieve the desired results. - Interest expense is expected to increase year on year due to new investments planned, capex funding and property investment (major one being FHL Tower project). - Raising of Corporate Bonds is also going to impact the interest expense as interest will be paid on fixed sum for 3, 5 and 7 years with principal payment due on maturity. |



| | | |
|----|---------------------------------|---|
| C. | Group Financial Position | <ul style="list-style-type: none"> - Balance sheet from FY23 to FY25 reflects the growth in P&L with gradual improvements noted in the Net Assets. - The Corporate Bond raising by FHL of \$30m in FY23 will be utilised to repay FHL debt with BSP Bank, allowing additional capacity for expansion of its investment portfolio. - In FY24, the Group will issue \$15m loan to FHL Properties to clear the \$15m loan with Bred Bank for the construction of the FHL Tower. This arrangement will provide more flexibility to cash flow, allowing the Group adequate time for tenancy of the FHL Tower before the principal payments commences. - Increase in Group borrowing apart from debt swap as mentioned above is largely driven by the borrowing to complete the FHL Tower project which has an estimated cost to complete of \$40m and CAPEX for Basic Industries Limited. - FHL will also be pursuing new investment opportunities. This is expected to be done at associate level investment with returns expected in FY25. |
| D. | Group Cash Flows | <ul style="list-style-type: none"> - Cash flow is consistent with the growth in P&L and the Balance sheet. Major improvement in cash flow is coming from the improvement in operating activities generally showing business turnaround and better cash flow management. - Cash flow from Investing remains consistent to the planned CAPEX program. - In FY23, Corporate Bonds raised of \$30m will be immediately utilised to repay FHL debts for the same amount. Approximately \$40m will be drawn for the completion of the FHL Tower project with the balance utilised for BIL CAPEX \$13.7m and \$7.6m for SIL settlement. - In FY24, FHL will issue \$15m loan to FHLP for FHL Tower to reduce its debts with BRED bank on a back to back arrangement. This will reinstate FHL debt with BSP Bank by the same amount. FHL is expected to establish a new facility of \$23m to support new Investments. Additional \$7m will be needed for BIL CAPEX program. FY24 repayment also includes lump sum loan repayment from BIL estimated at \$10.8m and SSC is expected to start its P&I in the same year. - FY25 represents borrowing of \$5m from BIL for CAPEX while repayments represent normal P&I payments from subsidiary companies. |



08 INDEPENDENT ACCOUNTANT'S REPORT



The Directors
Fijian Holdings limited
Level 7
Ra Marama House
91 Gordon Street
Suva
Fiji

14 November 2022

Independent Accountant's Report for Inclusion in the Information Memorandum of Fijian Holdings Limited (FHL)

Dear Directors

As independent accountant of Fijian Holdings Limited (the "Company") we have prepared this report to report on the Prospective Financial Information for inclusion in the Company's Information Memorandum (the "Information Memorandum") dated 14 November 2022 in respect of the company pursuing to raise a wholesale corporate bond of \$30 million for the financing of the FHL Tower project and expansion of its investment portfolio.

The Information Memorandum (IM) includes Prospective Financial Information of the Group. The IM includes the projected statements of financial position as at 30 June 2023, 30 June 2024 and 30 June 2025, and the projected statements of profit or loss and other comprehensive income and the projected statements of cash flows for the years then ending, including the associated assumptions.

The independent accountant's report can only be issued by a chartered accountant with a current Certificate of Public Practice (CPP) issued by the Fiji Institute of Accountants in accordance with the Fiji Institute of Chartered Accountants Act 2021. Wiliki Takiveikata of PwC hold the appropriate CPP. We also confirm PwC does not have any other existing relationship with the company other than as Independent Accountant to which this report relates.

Scope

As agreed with the directors our scope is limited to;

- Review the Prospective Financial Information of the Group as described in Section 07 of the Information Memorandum
- Review the hypothetical assumptions underlying the Prospective Financial Information as described in Section 07 of the Information Memorandum; and
- Review that the preparation of the Prospective Financial Information is on the basis of the stated assumptions and is in line with the recognition and measurement principles contained in the applicable International Financial Reporting Standards (IFRS) and Company's adopted accounting policies.

*PricewaterhouseCoopers, Level 8 Civic Tower, 272 Victoria Parade, Suva, Fiji.
GPO Box 200, Suva, Fiji.
T: (679)3313955 / 3315199, F: (679) 3300947*

PricewaterhouseCoopers is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.





Directors' Responsibilities

The Directors of Fijian Holdings Limited are responsible for the preparation and presentation of the Prospective Financial Information, including the identification and disclosure of the assumptions on which the Prospective Financial Information are based. This includes the responsibility for such internal controls as the directors determine is necessary to enable the preparation of the Prospective Financial Information that is free from material misstatement, whether due to fraud or error. The Directors are also responsible for ensuring that the Prospective Financial Information are realistic and achievable and are supported by adequate disclosures.

Independent Accountant's Responsibilities

We are responsible for reviewing that the Prospective Financial Information is prepared on the basis of the hypothetical assumptions, and is in line with the recognition and measurement principles contained in the International Financial Reporting Standards (IFRS) and the Company's adopted accounting policies.

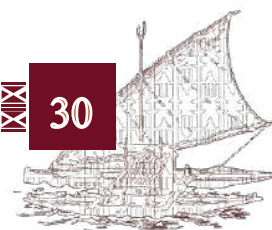
Our engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3400 "The Examination of Prospective Financial Information". We express limited assurance conclusions on the basis of preparation of the Prospective Financial Information based on our review.

Our procedures consist primarily of enquiries of Directors and management of the Company and its subsidiaries (where appropriate), performing analytical review procedures, and review of the relevant accounting records and other documents supporting the assumptions used in the preparation of the Prospective Financial Information, and the related figures and disclosures in the PFI. We have obtained all the necessary information and explanation required. The procedures are therefore substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Accordingly, we will not express an audit opinion on the information reviewed. In addition, we will not express any opinion on the quality or effectiveness of the Group's internal controls or information systems. This engagement will not satisfy any third party requirement for an audit.

The Prospective Financial Information has been prepared by the Directors to provide investors with a guide to the Group's potential future financial performance based upon achievement of certain assumptions that include assumptions about future events and actions that cannot be confirmed and verified in the same way as past results and that are not necessarily expected to occur. Consequently, we express no opinion on the validity of the assumptions on which the projection is based or on how closely the results actually achieved will compare with the Prospective Financial Information.

Conclusion

We have examined the Prospective Financial Information in accordance with International Standard on Assurance Engagements applicable to the examination of prospective financial information. Management is responsible for the Prospective Financial Information including the assumptions set out in section 07 on which it is based.





The Prospective Financial Information has been prepared for inclusion in the Company's Information Memorandum for eligible investors in respect of pursuing to raise a wholesale corporate bond of \$30 million for the financing of the FHL Tower project and expansion of its investment portfolio, using a set of assumptions about future events and management's actions that are not necessarily expected to occur. Consequently, readers are cautioned that the Prospective Financial Information is not used for any other purposes than that described above.

Based on our limited assurance engagement, which is not a reasonable assurance engagement, nothing has come to our attention which causes us to believe that in all material respects, the projected Financial Information:

- is not prepared on the basis of the directors' hypothetical assumptions described in Section 07 of the Information Memorandum; and
- is not presented fairly in accordance with the stated basis of preparation, being the recognition and measurement principles contained in the International Financial Reporting (IFRS) and Company's adopted accounting policies.

Even if the events anticipated under the assumptions described above occur, actual results are still likely to be different from the Projected Financial Information since other anticipated events frequently do not occur as expected and the variation may be material.

We relied on representation from the directors and management of Fijian Holdings Limited that all information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that the representation is false.

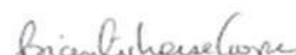
Restriction on Use

This report has been prepared for inclusion in the Information Memorandum as described in section 07. We disclaim any responsibility for reliance on this report or the amounts included in the Projected Financial Information for any purpose other than that for which they were prepared. In addition, we take no responsibility for, nor do we report on, any part of the Information Memorandum not specifically mentioned in this report.

Yours faithfully



Wiliki Takiveikata
Partner



PricewaterhouseCoopers
Chartered Accountants



09 RISKS OF INVESTING

INTRODUCTION

This [section 9](#) describes the following potential key risk factors:

- specific risks relating to the Issuer's creditworthiness; and
- general risks associated with an investment in the FHL Wholesale Corporate Bonds.

Key risks outlined in this section are based on an assessment of the probability of a risk occurring and its potential impact (individually or in combination with other key risks) at the date of this IM. There is no guarantee or assurance that key risks will not change, alter in their significance or that other risks will not emerge.

You should carefully consider these risk factors (together with the other information in this IM) before deciding to invest in the FHL Wholesale Corporate Bonds.

Before making any investment decision it is important that investors consider the suitability of an investment in the FHL Wholesale Corporate Bonds in light of their own individual risk profile for investments, investment objectives and personal circumstances (including financial and taxation issues). The risks described in this section do not take account of the personal circumstances, financial position or investment requirements of any particular person other than FHL.

Specific Risks Relating to the Issuer's Creditworthiness

The Issuer considers that the circumstances which could significantly affect, either individually or in combination, the future financial position and performance of FHL, and therefore significantly increase the risk that the Issuer may default on its obligations under the FHL Wholesale Corporate Bonds are as set out below. These circumstances, either individually or in combination, may affect the Issuer's ability to pay interest on, or repay, the FHL Wholesale Corporate Bonds.

Credit Risk On FHL

The risk that the Issuer (or another member of FHL) becomes insolvent and is unable to meet its obligations under the FHL Wholesale Corporate Bonds. If the Security is insufficient to repay you in these circumstances, you might not recover the amount of your investment in the FHL Wholesale Corporate Bonds or receive the returns you expect.

Risks Relating to the Group's Financial Condition and the Impact of the Covid-19 Pandemic

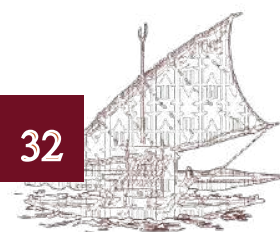
The COVID-19 pandemic, together with the closure of all non-essential businesses and the closure of international borders have had and may continue to have a material adverse effect on the Group in the event of future closures.

It is not possible to quantify the potential impact of pandemic-related risks as they are highly dependent on the nature, extent and duration of any future outbreak and the Government's response to such an outbreak. However, the effects could be significant.

Regulation and Government Reform Risk

FHL operates in regulated industries, where ongoing compliance is vital from both a legal and reputational perspective.

There is the risk that Government or a Regulatory body may change a law, regulation or policy (including, without limitation, tax laws or policies), or that the interpretation of a law or regulation may change, or that court may make a decision, which adversely affects the value of the FHL or the tax treatment of the bondholders.



Development Risk

FHL incurred development related capital expenditure of \$70 million in the year to completing the construction of FHL Tower.

FHL's continued growth is reliant on execution of its development programme, which involves key construction and property development risks. These risks include:

- risks of material project delay, leading to increased holding costs and other increased expenses (particularly during periods of 'lockdown' and similar for COVID-19, as discussed above).
- risk of default by participants in the development process, including construction contractors defaulting in the performance of their respective obligations, contractor (and sub-contractor) shortages and industrial disputes with suppliers and contractors. Such defaults can lead to significant further delays and costs;
- the risk that the timing of completion or quality of FHL Tower is impacted by insufficient project governance, poor quality design or delays in achieving required building and resource consents; and
- skilled labour and material shortages (including as a result of disrupted supply lines from COVID-19).

These risks may lead to increased overall costs, lower or delayed returns, and inability to complete in progress developments and realise cash incurred. To mitigate these risks, FHL has established an experienced internal property development team, which allows FHL to exercise a greater degree of governance over the development and construction process. FHL also adopts a robust process for tendering projects and selecting skilled and qualified contractors, although variations and construction cost escalation may still occur throughout the lifecycle of construction activities.

Property Market Risk and Flow-On Effects of Market Changes

Earnings generated through the rental properties makes up a significant portion of FHL's cash flows and underlying earnings.

Changing property market conditions could have a flow on impact to the value of property assets, and the associated investment property valuation. This would impact both the financial position and performance of FHL. A material reduction may impact the Issuer's ability to meet its Loan to Valuation Ratio.

Climate-related Risk

FHL may face physical risks to its business, including natural disasters, flooding, storm damages and fires, as well as longer term transitional risks as a result of climate change. There can be no guarantee that the FHL will successfully mitigate these climate-related risks and the related impacts. In the event of extreme weather, flooding or significant issues with the FHL's operations may be adversely impacted.

General Economic and Business Conditions

The operating and financial performance of FHL is influenced by a variety of general economic and business conditions including:

- (a) the level of inflation;
- (b) interest rates;
- (c) government fiscal, monetary and regulatory policies;
- (d) industrial disputes; and
- (e) fluctuations in the global economy and international exchange rates.

A prolonged deterioration in general economic conditions could be expected to have a corresponding adverse impact on the operating and financial performance of FHL.



GENERAL RISKS

An investment in the FHL Wholesale Corporate Bonds is subject to the following general risks.

Credit Risk

Credit risk is the risk of financial loss to the Company and the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company and the Group's receivables and loans and advances to customers and investments in debt securities. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, including outstanding receivables and committed transactions. For potential rental tenants, a screening process, similar to a due diligence is performed, prior to leases being granted. For banks and financial institutions, only reputable parties are acceptable. As far as practicable, if wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent ranking, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with set limits. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards.

Liquidity Risks

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations arising from its financial liabilities. Prudent and careful management of the Group's liquidity position is essential in order to ensure that adequate funds are available to meet the Group's ongoing financial obligations. Prudent liquidity risk management implies maintaining sufficient cash, marketable securities and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business of the Group, management aims at maintaining flexibility in funding by keeping committed credit lines available.

Market Risk

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads will affect the liquidity and pricing of the FHL Wholesale Corporate Bonds in the bond market.

Secondary Market Risk

The risk that, if you wish to sell your Bonds before maturity:

- you may be unable to find a buyer; or
- the price at which you are able to sell them is less than the amount you paid for them.

These outcomes may arise because of factors related to the Issuer's creditworthiness, or because of other factors. These other factors may include the following:

- An active secondary market in respect of the FHL Wholesale Corporate Bonds may be illiquid and this would adversely affect the value at which an investor could sell the FHL Wholesale Corporate Bonds.
- The level, direction and volatility of market interest rates. For example, if market interest rates go up, the market value of the FHL Wholesale Corporate Bonds would typically be expected to go down and vice versa.



10 TAX



In accordance with Income Tax (Exempt Income) Regulations 2016 (as amended by Income Tax (Exempt Income) (Amendment) Regulations 2020), interest income earned on corporate bonds traded on the South Pacific Stock Exchange shall be exempt income in the hands of the bondholder. It means that such an interest amount shall be exempt from withholding tax or income tax.

The above generalised summary is based on the taxation laws in force in Fiji as at the date of this IM. Future changes to these or other laws may affect the tax consequences of an investment in the FHL Wholesale Corporate Bonds.

Bond transfers are liable for capital gains tax and should be included in income returns submitted to the Fiji Revenue & Customs Service.

Investors should take their own tax advice as to the consequences of owning FHL Bonds as well as receiving returns from them.



11 TRADING AND SETTLEMENT FRAMEWORK

TRADING, CLEARING AND SETTLEMENT FRAMEWORK

Bonds issued pursuant to the Information Memorandum will be listed in accordance with Over the Counter (OTC) Listing and Trading Rule Book of SPX and the indicative timetable set out in [Section 2](#) of this Information Memorandum.

Pending the issue of the FHL Wholesale Corporate Bonds pursuant to this Information Memorandum, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by section 288 of the Companies Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest by completing and returning the Application Form.

The expected dates for issue of bonds by this Information Memorandum and dispatch of holding statements is expected to occur on the dates specified in the Timetable set out in [Section 2](#) of this Information Memorandum.

SPX TRADING AND SETTLEMENT

Trading of FHL quoted debt securities is conducted between broking firms who act on behalf of their clients, in the same way as quoted equity securities. The trading is conducted on SPX OTC Market.

The broker responsible for a sale will confirm with the registrar before trade execution that the FHL Wholesale Corporate Bonds being sold are registered in the name of the selling client, that they are unencumbered and available for sale and that the registrar knows that the FHL Wholesale Corporate Bonds are in process of being sold by the client.

The terms of possible trades in FHL Wholesale Corporate Bonds will initially be agreed bilaterally between the brokers representing the buying and selling investor, after which each of those brokers will submit details of the trade as per the Prescribed Form to the SPX, on the same day as the agreement is reached.

SPX will review the details of the trade and once satisfied that there is a matching agreement on all terms of the trade, SPX will issue a matching confirmation to the brokers. Once a matching confirmation has been received, the brokers will input the orders that correspond to them into the OTC Market set up for this purpose by the SPX on its trading system and execute the trades in the immediate trading session. These orders will be priced at the clean price of the trade, which is the price that will be used for matching. The trade details will be published by SPX.

The registrar will record the transfer and issue a bond certificate or holding statement, whichever is applicable, in the name of the buying investor. If there is a balance of bonds remaining for the selling investor, where the amount executed is less than the amount certified on the bond certificate or holding statement, the registrar will also issue a new bond certificate or holding statement, whichever is applicable, for that remaining balance in the name of the selling investor.

The registrar will deliver the new bond certificates or the holding statements, whichever is applicable, to the SPX within three (3) business days from the date that the bond transfer documents are sent by the SPX to the registrar for registration.

On receipt of new bond certificates or the holding statement from the registrar, the SPX will deliver them to the corresponding broker on or before the next business day.

SPX LISTING

Application for official quotation by SPX of the FHL Wholesale Corporate Bonds offered pursuant to this Information Memorandum will be made.



CONTINUOUS DISCLOSURE OBLIGATIONS

The Company is subject to section 666 of the Companies Act and, as such, the Company is subject to regular reporting and disclosure obligations under the Companies Act and the Over the Counter (OTC) Listing and Trading Rule Book of SPX.

Specifically, the Company is required to notify SPX of information about specific events and matters as they arise for the purposes of the SPX making that information available to the bond markets conducted by the SPX. In particular, the Company has an obligation under the Over the Counter (OTC) Listing and Trading Rule Book of SPX (subject to certain exceptions) to notify the SPX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its bonds.

This Information Memorandum is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to SPX and does not include information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for the FHL Wholesale Corporate Bonds. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available on the SPX website: www.spx.com.fj.

Additionally, the Company is also required to prepare and lodge yearly financial statements accompanied by a directors' statement and report, and an audit report or review. These reports are released to SPX and published on the Company's and the SPX websites.

This Information Memorandum (including the Application Form) and the contracts that arise from acceptance of the Applications are governed by the laws applicable in Fiji and each Applicant submits to the non-exclusive jurisdiction of the courts of Fiji.



12 TRANSACTION COSTS

The Company shall cover all expenses in connection with the Listing of the FHL Wholesale Corporate Bonds including Application Fees for Listing with SPX and Annual fees, and other associated costs and charges with the issue of the FHL Wholesale Corporate Bonds. These expenses are estimated to be around \$196,312.50 and will be paid from the working capital of the company.

| | Fees (VEP) |
|--|----------------------|
| One-off Establishment Fee | \$ 1,500.00 |
| Application Fees for Listing with SPX and Annual fees (\$6,925 + 0.0095% on excess over \$20m) | 11,812.50 |
| Bond Trustee fees (per annum) | 18,000.00 |
| Financial Advisors Fees, estimated | 25,000.00 |
| Professional Fees and Charges - Investment Advisers, estimated | 90,000.00 |
| Legal costs – for Issuer, Trustees, etc. estimated | 30,000.00 |
| Contingences | 20,000.00 |
| Total | \$ 196,312.50 |



13 HOW TO COMPLAIN

Complaints about the FHL Wholesale Corporate Bonds can be directed to:

Fijian Holdings Limited at:

Group Chief Finance Officer or Company Secretary
Level 7, Ra Marama
91 Gordon Street Suva
Fiji

Telephone: +67 9 330 5017

Email: info@fijianholdings.com.fj

If for any reason the Issuer is unable to resolve your complaint, please contact:

The Trustee at:

SPX Trustees Limited
Shop 1 and 11, Sabrina Building, Victoria Parade, Suva

Telephone: 3304130

Email: trustee@spx.com.fj



14 WHERE YOU CAN FIND MORE INFORMATION

Further information relating to the Issuer and the FHL Wholesale Corporate Bonds are available at Company's Registered Office.

The following documents are also available at the Company's Registered Office:

Registered & Head Office: 7th Floor, Ra Marama House, 91 Gordon Street, Suva, Fiji

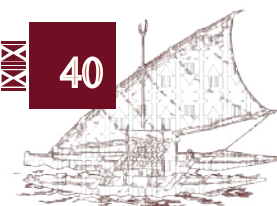
- Information Memorandum
- Articles of Association
- Trust Deed
- Subscription Agreement
- Bondholder Statement
- Deed of Priority with Bred Bank

The Issuer is subject to a disclosure obligation in relation to its shares that requires it to notify certain material information to the SPX for the purpose of that information being made available to participants in the market.

The Issuer's page on the SPX website, which includes information made available under the disclosure obligations referred to above, can be found at <https://marketreports.spx.com.fj/Company.aspx?code=FHL>.



Vanua House



15 HOW TO APPLY

The Offer will be open to institutional investors and members of the public who are Fiji resident.

An investor may apply for a minimum of \$200,000 worth of FHL Bonds and multiples of \$1,000 thereafter.

An investor must:

a) Complete the application form at Schedule 1 (natural persons) or Schedule 2 (legal entities) of this Document in accordance with the accompanying instructions.

b) Prepare a cheque or bank draft for the application amount, made payable to "Fijian Holdings Limited" and crossed "Not Negotiable", or bank transfer to FHL bank account:

Account name : Fijian Holdings Limited

Account number : 84860571

Bank : Bank of South Pacific (BSP)

Branch : BSP Life Centre Corporate Banking

c) The completed application form and payment must be received by Fijian Holdings Limited by 3pm on 28 November 2022.

Acceptance of Applications

FHL has the sole discretion to issue the FHL Wholesale Corporate Bonds in accordance with an Application, to decline any Application, or to issue a lesser number of bond than those applied for. To the extent that Applications are unsuccessful, the application money will be returned within 14 days of the date on which the Application was declined by FHL.

Holding Statements

Upon acceptance of an Application, FHL will issue a Holdings Statements to the Bondholder. Bondholders will receive biannual statements showing movements and balances for all bond held after the calculation of interest as outlined below.

Calculation and payment of interest on Bonds and Repayment

The Interest is payable on the principal amount outstanding under the FHL Bonds from the Issue Date until the date of redemption and will be calculated on the basis of a 30/360 day count convention.

Interest accrues from day to day at the Interest Rate and is payable to the Bondholders in cash by quarter-yearly payments in arrears on each Interest Payment Date until the FHL Bonds are repaid under the Terms and Conditions.

Bondholders shall be paid interest at the Interest Rate, such sum to be paid to the relevant Bondholders by FHL on the relevant Interest Payment Date.

The first interest will be calculated on a pro-rata basis, from the settlement date to the first interest payment due date using the following formula:

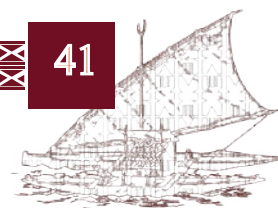
$$\text{Interest amount} = \left[\frac{\text{amount allotted} \times \text{coupon rate}}{4} \right] \times \frac{\text{number of days of accrued interest}}{\text{number of days in quarter}}$$

Interest due will be paid by the Bond Registrar directly into the bondholder's nominated commercial bank account.

The FHL Wholesale Corporate Bond certificate must be presented to the Registrar for payment at maturity. Bondholders will be notified by post of the pending maturity of their Bond approximately three weeks prior to maturity date. Bondholders are required to notify the Bond Registrar of any changes in address or contact details.

Allocation of Bonds

FHL will determine the respective allocation of Bonds to eligible investors at its discretion. FHL intends to reserve up to F\$5million worth of Bonds for eligible investors investing up to \$500,000 value of Bonds each. FHL reserves the right to reject any application or allocate a lesser amount than that applied for. If the FHL Wholesale Corporate Bond offer is oversubscribed, the allocation will be reduced on a pro-rata basis



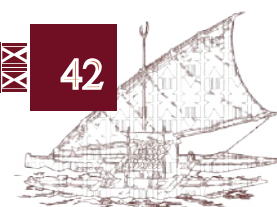
16 CONTACT INFORMATION

ISSUER

Fijian Holdings Limited
7th Floor, Ra Marama
91 Gordon Street
Suva, Fiji
Telephone: +67 9 330 5071

SECURITIES REGISTRAR

Central Share Registry Pte Limited
Shop 1 and 11, Sabrina Building, Victoria Parade, Suva



17 STATEMENT BY DIRECTORS

After due enquiry, the Directors confirm that in their opinion, during the period between the date of the last financial statements for the year ended 30 June 2022 of the Company and the date of the Information Memorandum, there have arisen no circumstances that materially adversely affect: -

- a) the trading or profitability of the Company; or
- b) the value of its assets; or
- c) the Company has sufficient working capital to last at least 12 months and to pay its liabilities due within the next 12 months.

After making due enquiry, the Directors acknowledge our obligations under the OTC Listing and Trading Rules. Accordingly, we declare that all the conditions for issuance under the Companies (Wholesale Corporate Bonds) Regulations 2021 of the Reserve Bank of Fiji have been fulfilled by the issuer, including but not limited to those in relation to the issuer, the investors and the Information Memorandum in relation to the FHL Wholesale Corporate Bond for which listing is now sought.

The Directors undertake that they will advise the SPX and RBF of any material change in the information contained in this Information Memorandum after the date hereof at any time prior to listing.

For and on behalf of the Board of Directors by authority of a resolution of the Directors.

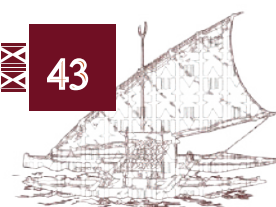
Dated this 14th day of November 2022.



Acting Chairperson



Director



18 CORPORATE DIRECTORY

ISSUER OF FHL WHOLESALE CORPORATE BOND

Fijian Holdings Limited

Registered & Head Office: 7th Floor, Ra Marama House
91 Gordon Street, Suva, Fiji
Postal Address: PO Box 2110
Government Buildings, Suva, Fiji
Phone No: 679-330 5017
Fax No.: 679-330 5020
Email: info@fijianholdings.com.fj
Website: <https://www.fijianholdings.com.fj>

Directors

Mr. Yogesh Karan (Acting Chairman)
Mr. Anthony Whitton
Mr. Sakiusa Raivoce
Mrs. Mereia Volavola
Mr. Savendra Dayal
Mrs. Eseta Nadakuitavuki
Mrs. Litiana Loabuka
Mr. Alifereti Kikau
Mr. Ilimotama Cawi

Company Secretary

Ms Mereoni Matavou

Auditors:

KPMG
Level 9, Suva Central Building
Pratt Street, Suva, Fiji

Independent Accountants

PricewaterhouseCoopers
Level 8, Civic Tower,
272 Victoria Parade,
Suva

Investment Adviser and

Corporate Advisors

BDO Corporate Finance (Fiji) Pte Limited
Level 10, FNPF Place
343 Victoria Parade
GPO Box 855, Suva, Fiji

Legal Advisers:

Sherani & Co.
2nd Floor, Harifam Centre
Greig Street, Suva

Bankers

BSP Financial Group Limited
Level 3, BSP Life Centre, Suva

Bred Bank

Head Office, Level 5 Tappoo City, Suva

Brokers for Trading on the SPX:

FHL Stockbrokers Pte Limited
Shop 1A & 1B, Vanua House,
77 Victoria Parade
Suva, Fiji

Kontiki Stockbrokers Pte Limited

Level 2, FNPF Boulevard,
33 Ellery Street, Suva,
Fiji

Fiji Stockbrokers Pte Limited

Level 2, FNPF Boulevard,
33 Ellery Street, Suva,
Suva

FHL Wholesale Corporate Bond Registry and Payment Agent

Central Share Registry Pte Limited
Shop 1 and 11, Sabrina Building, Victoria Parade,
Suva

Capital Markets Regulator

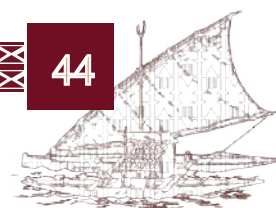
Reserve Bank of Fiji (RBF)
Tower 4, RBF Building
Pratt Street, Suva, Fiji

Securities Exchange

South Pacific Stock Exchange (SPX)
Shop 1 and 11, Sabrina Building
Victoria Parade, Suva, Fiji

Trustee

SPX Trustees Limited
Shop 1 and 11, Sabrina Building
Victoria Parade, Suva, Fiji



G GLOSSARY

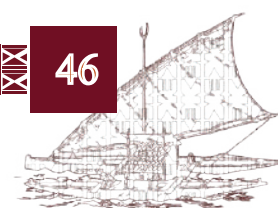


| | |
|-----------------------------------|--|
| \$ | Fiji Dollars. |
| FIJIAN HOLDINGS LTD | The Issuer. |
| BONDHOLDER | A person whose name is entered in the Register as a holder of a Bond. |
| BONDS | The FHL Wholesale Corporate Bonds constituted and issued pursuant to the Trust Deed and offered pursuant to this IM. |
| BUSINESS DAY | A day (other than a Saturday or Sunday) on which registered banks are generally open for business, except that in the context of the Listing Rules it means a day on which the SPX is open for trading. |
| CLOSING DATE | 28 November 2022 at 3.00pm. |
| EVENT OF DEFAULT | Each event set out in condition of the Terms, which are summarised in section 5 of this IM (<i>Key features of the FHL Wholesale Corporate Bonds</i>). |
| FIRST INTEREST PAYMENT DATE | The First Interest Payment Date is 31 March 2023. |
| FRCS | Fiji Revenue & Custom Services. |
| IM | This Information Memorandum for the Offer dated 14 November 2022 |
| INTEREST PAYMENT DATES | Quarterly in arrears in equal payments on 31 March, 30 June, 30 September and 31 December in each year (or if that day is not a Business Day, the next Business Day) until and including the Maturity Date, with the First Interest Payment Date being 31 March 2023 and the Last Interest Payment will be on a pro-rata basis from the date of issue of the FHL Wholesale Corporate Bond. |
| INTEREST PERIOD | Each quarterly period beginning on, and including, an Interest Payment Date (or the Issue Date) and ending on, but excluding, the next Interest Payment Date (or the Maturity Date). |
| INTEREST RATE (COUPON FIXED RATE) | The FHL Wholesale Corporate Bonds will pay a fixed rate of interest until the Maturity Date. The Interest Rate will be 3.00% per annum for 3 years bond. The Interest Rate will be 3.50% per annum for 5 years bond. The Interest Rate will be 3.75% per annum for 7 years bond. |
| ISSUE DATE | 18 November 2022 |
| ISSUER | Fijian Holdings Limited. |



Glossary (cont'd)

| | |
|--------------------------------|---|
| LAND | Any estate or interest in land and real property owned or leased by the Issuer or a Guarantor (and includes the permanent buildings and improvements on such land). |
| LISTING RULES | The listing Over The Counter (OTC) Listing and trading rule book. |
| LOAN TO VALUATION RATIO | 100% |
| MAJOR DEFAULT | <p>An Event of Default that is a Major Default as defined in the Security Trust Deed, and in relation to the FHL Wholesale Corporate Bonds includes:</p> <ul style="list-style-type: none"> ➤ Failure to pay interest and or principal: Applicable, with a cure period of 14 Business Days. ➤ Other failure: Applicable, with a cure period of 14 Business Days. ➤ Financial Covenants: Are not satisfied; ➤ Event: An Insolvency Event occurs in respect of FHL or a Guarantor (and in the case of any such Insolvency Event in relation to a subsidiary of FHL, such event is likely to have a Material Adverse Effect); ➤ Trust: Variations of the Trust Deed that are likely to have a Material Adverse Effect. |
| MATURITY DATE | <ul style="list-style-type: none"> - 30 November 2025 for 3 years bond - 30 November 2027 for 5 years bond - 30 November 2029 for 7 years bond |
| SPX | South Pacific Stock Exchange. |
| OFFER | The offer of FHL Wholesale Corporate Bonds made by the Issuer under this IM. |
| OPENING DATE | 18 November 2022. |
| PRINCIPAL AMOUNT | \$200,000 plus in multiples of \$1,000. |
| REGISTER | The register in respect of the FHL Wholesale Corporate Bonds maintained by the Securities Registrar. |
| SECURITIES REGISTRAR | Central Share Registry Pte Limited Shop 1 and 11, Sabrina Building, Victoria Parade, Suva |
| SECURITY | Deed of Priority between BRED Bank (Fiji) Pte Ltd, FHL Properties Pte Limited and SPX Trustees Limited over the above mentioned securities with first priority ranking limited to \$30,000,000 to be accorded to SPX Trustees Limited in the event of default. |
| \$ | Fiji Dollars |
| TRUST DEED | A duly executed registered trust deed that is compliant with Section 296 of the Companies Act, 2015. |
| TRUSTEE | SPX Trustees Limited Shop 1 and 11, Sabrina Building, Victoria Parade, Suva. |



Corporate Wholesale Bond

Legal Entity Application Form

Date:

Account Holder information

Account Holder Name:

Investor Type: Sole Trader Trust Partnership Association Company Other _____

Bond Details

Amount (FJD) Rate Term

Issue Date Maturity Date

Source of Fund

Bank Account Details

Bank Name Account No.

Account Name

New Customer Code Existing Customer Account No.

Business Name:

Nature of Entity: Local Entity Foreign Entity Country Registration Date

Business Activity:

Business No. VAT No. Tax ID No.

Principal Place of Business

Registered Place of Business

Postal Address

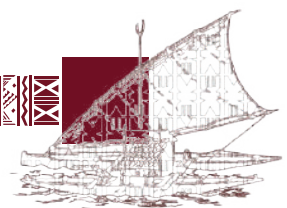
Phone Fax No. Email:

Is your Entity a Subsidiary Yes No If Yes, please state the name and address of the Parent Entity

Shareholders' Details

Please list major beneficiaries (greater than equal to 30% shareholder)

| Full Name | Share (%) | Address |
|-----------|-----------|---------|
| | | |
| | | |
| | | |
| | | |





Account Holder Declaration

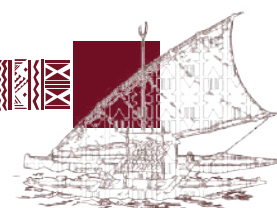
I/We hereby declare that I/we have carefully read and understood the Bond Invitation relating to this Bond before acquiring it. I/We acknowledge that I/we have been explained, and fully understand that my/our Bond Account will only be opened upon submission of all required documents along with a fully completed and signed application form to Fijian Holdings Limited. Refer Resolution attached herein for:

1. Persons Authorised to operate on the account(s);
2. Persons/ Additional Person Authorised to obtain additional information; and
3. Method of Operation.

I/We also declare that the information provided in this application form is true and correct as at the date of opening this account. I/We further agree to update Fijian Holdings Limited on any changes in the Business profile.

We certify that the resolution was passed at a meeting of the Board of Directors at its registered office on _____ (copy to be provided) authorising the Business to invest in FHL Bonds.

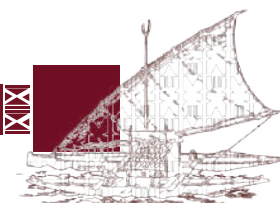
| | | |
|--------------------------------------|---|-------------------------------------|
| By: (name of duly authorised person) | Title (e.g. Director/ Partner/ Secretary) | Signature of duly authorised person |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| By: (name of duly authorised person) | Title (e.g. Director/ Partner/ Secretary) | Signature of duly authorised person |
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| By: (name of duly authorised person) | Title (e.g. Director/ Partner/ Secretary) | Signature of duly authorised person |
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| By: (name of duly authorised person) | Title (e.g. Director/ Partner/ Secretary) | Signature of duly authorised person |
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| By: (name of duly authorised person) | Title (e.g. Director/ Partner/ Secretary) | Signature of duly authorised person |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |



Entity Supplementary Documentation Requirement

[Please read these requirements carefully]

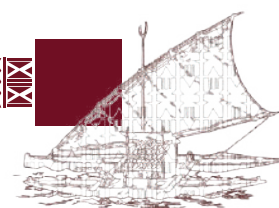
| Investor Type | Information Required | Additional Information Required |
|--|---|--|
| Sole Trader & Partnership | <ol style="list-style-type: none"> 1. Certificate of Registration 2. Business License 3. Verification of Principal/Registered Place of Business 4. Business TIN 5. Beneficial owner confirmation document 6. Partnership Agreement (Partnership only) 7. Identification documents for Proprietor/Partners & Authorized Signatories (i.e., verification of full name, signature & residential address) 8. Verification of Source of Funds | <p>In Addition:</p> <ul style="list-style-type: none"> • Certificate of change of name (if applicable) |
| Company | <ol style="list-style-type: none"> 1. Certificate of Registration/Incorporation 2. Company TIN 3. Copy of Resolution 4. Verification of Principal/Registered Place of Business 5. Place of Business 6. Identification documents for Shareholders who owns directly or indirectly, 30% or more interest in the company (verification of signature & residential address). 7. Identification documents for persons authorized to operate/sign on the account/obtain information/act on behalf of the company as stipulated in the Resolution (verification of full name, signature & residential address). 8. Verification of Source of Funds | <p>In Addition:</p> <ul style="list-style-type: none"> • Certificate of change of name (if applicable) |
| Association (Club/Foundation/Charity/NGO) | <p><u>Incorporated Association</u></p> <ol style="list-style-type: none"> 1. Certificate of Registration 2. Constitution 3. Verification of Principal/Registered Place of Business 4. Place of Business 5. TIN for the Association or Organization 6. Resolution 7. Identification documents for Committee & persons authorized to operate/sign on the account/obtain information/act on behalf of the Organization as stipulated in the Resolution (verification of full name, signature & residential address). 8. Verification of Source of Funds <p><u>Unincorporated Association:</u> Provide requirements #2 – #7</p> | <p>In Addition:</p> <ul style="list-style-type: none"> • Updated Constitution if amendments made to the initial one for change in committee member i.e., termination, new appointment etc. • Certificate of change of name (if applicable) |



Entity Supplementary Documentation Requirement [Cont'd]

[Please read these requirements carefully]

| Investor Type | Information Required | Additional Information Required |
|--|---|---|
| Church or Religious Congregation | <ol style="list-style-type: none"> 1. Certificate of Registration 2. Constitution 3. Resolution 4. TIN for the Church or Congregation 5. Verification of Principal/Registered 6. Place of Business 7. Identification documents for Committee & persons authorized to operate/sign on the account/obtain information/act on behalf of the Organization as stipulated in the Resolution (verification of full name, signature & residential address) 8. Verification of Source of Funds | <p>In Addition:</p> <ul style="list-style-type: none"> • List of Committee Members (only required if such information cannot be found in the constitution or if it differs) |
| Trust | <ol style="list-style-type: none"> 1. Copy of Trust Deed (Certified) 2. Letter from Trustee 3. TIN Letter for Trust 4. Verification of Principal/Registered 5. Place of Business 6. Identification documents for Trustees & persons authorized to operate/sign on the account/obtain information/act on behalf of the Organization as stipulated in the Letter from Trustee (verification of full name, signature & residential address) 7. Verification of Source of Funds | <p>In Addition:</p> <ul style="list-style-type: none"> • Updated Trust Deed if amendments made to the initial one for change in trustees i.e., termination, new appointment etc. |
| <p><u>In Addition:</u></p> <p>Foreign Based Entity</p> | Certified copies of all required documents in accordance with the normal due diligence process above | |
| <p>Non-face-face Customer's</p> | <p><u>Email/Fax</u> Certified copies of all required documents in accordance with the normal due diligence process above.</p> <p><u>3rd Party</u> Certified copies of all documents in accordance with the normal due diligence process above +</p> <p>3rd Party's Photo ID & verification of residential address.</p> | |





Corporate Wholesale Bond Individual Application Form

Date:

Bond Holder Details

Account Holder Name: Title Mr Mrs Ms

Account Classification: Individual Minor Resident Non-Resident Other

Bond Holder – Personal Details

New Customer Account Number

Existing Customer Code [FHL Use Only]

Applicant Name

Father's Name

Date of Birth

Phone No: Mobile LAN Line:

Occupation

Employer/ Business Details [Name, Address, Phone]

Tax Identification No.

Residential Address

Postal Address

Email Address

Marital Status Single Married Divorced Widowed

Name of Spouse

Occupation of Spouse

Bond Details

Amount (FJD) Rate Term

Start Date End Date Industry Classification (FHL Use only)

Regular source of income





Bank Account Details

Bank Name

Account No.

Account Name

Applicant Declaration

I hereby declare that I have carefully read and understood the Bond Invitation relating to this Bond before acquiring it. I acknowledge that I have been explained, and fully understand that my Bond Account will only be opened upon submission of all required documents along with a fully completed and signed application form(s) to Fijian Holdings Limited. I also declare that the information provided in this application form is true and correct as at the date of opening this account. I further agree to update Fijian Holdings Limited on any changes in my Personal profile.

Applicant Signature:

Applicant Name:

Signature:

Date:

Left Thumb Print:
[case-by-case basis]

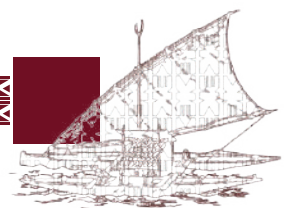
For FHL Use Only

Bond Checklist

I, _____ of Fijian Holdings Limited hereby declare that I have verified the following, and evidential copy is attached herewith:

Personal/ Individual Customers:

- Verification of Residential Address (Valid Driver's License/Water Bill/ FEA Bill/Unwired Internet Bill/Rates/Voter I.D)
- Regular source of Income
- D.O.B (Valid Driver's License/Valid Passport/Voter I.D.)
- Verification of Signature (Valid Driver's License/Valid Passport/ Thumb Print (case by case situation)
- Citizenship (Birth Certificate/Passport)
- Receipt No. or Bank Direct Deposit Documents Attached
- Tax No. Verification/COE (Optional)



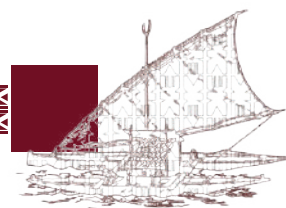
Please specify any other Customer Identification Undertaken;

- Non-Resident Accounts – Valid Work/Student Permit from Department of Immigration,
- Valid Passport +Confirmation Letter from Employer & Contract/Student status document issued by the education institution in Fiji + Another photo ID + Normal due diligence process stated in a(i) above.
- Variation in Name – Obtain Deed Poll or Birth Certificate or Marriage Certificate or obtain both Marriage & Birth Certificate or Statutory Declaration.
- Insufficient Evidential documents for KYC Verification – Submit Letter of Identification by Referee


Signed By:


Name & Position:

Date:



Contact Info

 +679 3305 017

 Fax +679 330 5020

 info@fijianholdings.com.fj

 fijianholdings.com.fj

 | PO Box 2110 | Government Buildings | Suva |

 Level 7, Ra Marama, 91 Gordon Street, Suva, Fiji

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