



**SUMMARY KEY DISCLOSURE STATEMENT
for the financial year ended 30 June 2021**

Introductory Statement

- The purpose of this information is to provide customers and potential customers with information about the financial condition of their credit institution.
- The explanation of the terms used in the Key Disclosure Statement is contained in the Reserve Bank publication "Your Bank's Disclosure Statement : What's In It For You". The terms used in the brochure are also applicable to credit institutions. The brochure can be obtained from the Reserve Bank of Fiji. Other information can be viewed at all branches of Merchant Finance Pte Limited. information can be viewed at all branches of Merchant Finance Pte Limited.

Corporate Information

- The full name of the credit institution is Merchant Finance Pte Limited.
- The full name of the ultimate parent company of Merchant Finance Pte Limited is Fjian Holdings Ltd, which is domiciled in Fiji.
- The names of the directors of Merchant Finance Pte Limited are

Chairman Isikeli Tikoduadua (Appointed - 18/09/20)
Members Arun Narsey (Appointed - 19/10/15)
 Sunil Sharma (Appointed - 13/02/17)
 Sereana Matakibau (Appointed - 13/03/19)
 Abilash Ram (Appointed - 30/01/20)

| | Audited Current Year | Audited Prior Period |
|--|-------------------------|-------------------------|
| Profitability | | |
| <input checked="" type="checkbox"/> Net operating profit/(loss) after tax (\$'000) | 4,527 | 2,639 |
| <input checked="" type="checkbox"/> As a percentage of average total assets | 2.25% | 1.31% |
| Size - as at end of financial year | | |
| <input checked="" type="checkbox"/> Total assets (\$'000) | 196,230 | 206,786 |
| <input checked="" type="checkbox"/> The percentage change in total assets over 12 months | (5.10%) | 5.65% |
| Capital Adequacy - as at end of financial year | | |
| <input checked="" type="checkbox"/> Tier 1 Capital (\$'000) | 34,235 | 31,230 |
| <input checked="" type="checkbox"/> Tier 1 Capital to total risk-weighted assets ratio | 22.47% | 18.47% |
| <input checked="" type="checkbox"/> Total Capital (\$'000) | 35,346 | 31,230 |
| <input checked="" type="checkbox"/> Capital adequacy ratio | 23.20% | 18.47% |

| | Audited Current Year | Audited Prior Period |
|---|-------------------------|-------------------------|
| Asset Quality - as at end of financial year | | |
| <input checked="" type="checkbox"/> Total impaired assets (on - and off-balance sheet) (\$'000) | 70,265 | 53,504 |
| <input checked="" type="checkbox"/> As a percentage of total assets | 35.81% | 25.87% |
| <input checked="" type="checkbox"/> Total individually assessed provisions (\$'000) | 6,690 | 7,672 |
| <input checked="" type="checkbox"/> Total collectively assessed provisions (\$'000) | 11,064 | 10,310 |
| <input checked="" type="checkbox"/> Total provisions as a percentage of total impaired assets | 25.27% | 33.61% |
| <input checked="" type="checkbox"/> General reserves for credit losses (\$'000) | 1,389 | - |

| | | |
|--|---|---|
| Peak Credit Exposure Concentrations - number of counterparties or groups of closely-related counterparties in relation to the total capital of the credit institution | | |
| <input checked="" type="checkbox"/> 10% to 20% of total capital | 3 | 4 |
| <input checked="" type="checkbox"/> 20% to 25% of total capital | - | 1 |
| <input checked="" type="checkbox"/> Over 25% of total capital | - | - |

| | | |
|---|--------|--------|
| Peak Connected Persons Credit Exposures - for all connected persons | | |
| <input checked="" type="checkbox"/> Peak end-of-day credit exposure amount (\$'000) | - | - |
| <input checked="" type="checkbox"/> As a percentage of total capital | 0.00% | 0.00% |
| <input checked="" type="checkbox"/> Maximum peak end-of-day aggregate credit exposure to all connected persons as a percentage of total capital | 25.00% | 25.00% |

| Balance Sheet | | |
|--|----------------|----------------|
| | (\$'000) | (\$'000) |
| The Balance Sheet for the Fiji Operations as prepared under the IFRSs should be reported here and should include, but should not be limited to, the following: | | |
| Cash and liquid assets | 26,503 | 27,372 |
| Balance with the Reserve Bank of Fiji | - | - |
| Receivables due from other financial institutions | - | - |
| Securities held | 13,050 | 5,050 |
| Loans (including advances to customers and similar facilities) | 160,762 | 179,145 |
| Provision for doubtful debts | (17,754) | (17,982) |
| Fixed Asset | 4,092 | 4,200 |
| Asset held for Sale | - | - |
| Available for sale financial assets | - | - |
| Investment Property | 4,865 | 4,865 |
| Intangible Asset | 4,376 | 3,763 |
| Prepayment & Other Receivables | 336 | 372 |
| Total Assets | 196,230 | 206,786 |
| Deposits of Promissory Notes of statutory bodies | - | - |
| Payables due to other financial institutions | - | - |
| Deposits and borrowings | 151,617 | 167,054 |
| Amounts owed to other depositors | - | - |
| Certificates of deposits | - | - |
| Promissory Notes and other liabilities evidenced by paper | - | - |
| Other borrowed funds | - | - |
| Others | 5,578 | 4,738 |
| Issued and paid up or assigned capital | 30,000 | 30,000 |
| Capital reserves | - | - |
| Revaluation reserves | - | - |
| General reserves for credit losses | 1,389 | - |
| Other reserves | - | - |
| Retained earnings | 7,646 | 4,994 |

| | Audited Current Year | Audited Prior Period |
|--|-------------------------|-------------------------|
|--|-------------------------|-------------------------|

Income Statement

The Income Statement for the Fiji Operations as prepared under the IFRSs should be reported here and should include, but should not be limited to, the following:

| | (\$'000) | (\$'000) |
|--|----------|----------|
| Interest and similar income | 23,449 | 24,543 |
| Interest and similar expense | (7,229) | (8,683) |
| Dividend income | - | - |
| Fee and commission revenue | 775 | 810 |
| Fee and commission expense | - | - |
| Other revenues arising from financial instruments | - | - |
| Gains less losses arising from dealing securities | - | - |
| Other expenses arising from financial instruments | - | - |
| Gains less losses arising from investment securities | - | - |
| Gains less losses arising from dealing in foreign currencies | - | - |
| Other operating revenue | 118 | 180 |
| Bad and doubtful debts (including provisions for impairment) | (5,778) | (7,484) |
| Recoveries of bad and doubtful debts | 31 | 105 |
| General administration expense | - | - |
| Other operating expense | (5,689) | (6,852) |
| Net profit/(loss) before tax | 5,677 | 2,619 |
| Net profit/(loss) after tax | 4,527 | 2,639 |

Impact of COVID-19

- The current year results have been significantly impacted by the additional loan loss provisions taken up during the year to recognise increased credit risk arising from the Covid-19 pandemic.

Availability of Disclosure Statements

- Merchant Finance Pte Limited's most recent Key Disclosure Statement is available at all Merchant Finance Pte Limited branches.
- Merchant Finance Pte Limited's most recent General Disclosure Statement is available at all Merchant Finance Pte Limited branches.
- The most recent audited balance sheet and profit and loss statements and other publicly available financial information on any "associated person" of the credit institution are available for inspection at our head office at Level 1, Ra Marama House, 91 Gordon Street, Suva.



Director



Director



Auditor