FIJIAN HOLDINGS UNIT TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

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DIRECTOR'S REPORT

In accordance with resolution of the Directors of the FHL Fund Management Limited and FHL Trustees Limited, the directors herewith submit the statement of financial position of the Fijian Holdings Unit Trust ("the Trust") as at 30 June 2026, the related statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended on that date and report as follows:

Trustee and Manager

Manager

The Manager of the Trust at the date of this report is FHL Fund Management Limited. The Directors of the management company at the date of this report are:

Mr. Alphonsus Pio Nataniela (Chairman)
Ms. Anaisi Mataitoga
Mr. Naushad Ali
Mr. Pretesh Prasad

Trustee

The Trustee of the Trust at the date of this report is FHL Trustee Limited. The Directors of the Trustee company at the date of this report are:

Mr. Inia Naiyaga (Chairman)
Mr. Deve Toganivalu
Mr. Vula Vakacegu

Date of Formation

The Trust was established on 27 April 2001 and has a life of 60 years from its inception.

Principal Activity

The Trust is an investment vehicle that allows investors' monies to be pooled with other unit holders' monies that in return are issued with units and become unit holders in the Trust. The pooled funds are then invested by the Manager across a range of investments in accordance with the investment guidelines contained in the Investment Policy Statement.

Results

The results for the year are as follows:

	2026	2025
	$	$
Profit for the year	7,416,986	5,265,200
Gain on disposal of listed equities	57,646	699,090
Income available for distribution	7,474,632	5,964,290

Dividends

The Trust declared and paid a final dividend for 2025 of $3,527,669 (2024: $2,668,507) and an interim dividend for 2026 of $4,076,371 during the year (2025: $3,250,320).

DIRECTOR'S REPORT [CONT'D]

Assets

Prior to the completion of the financial statements of the Trust, the directors of the Trustee and the Manager took reasonable steps to ascertain whether any assets were unlikely to be realised in the ordinary course of business compared to their values as shown in the accounting records of the Trust. Where necessary these assets have been written down or adequate allowance has been made to bring the values of such assets to an amount that they might be expected to realise. As at the date of this report, the directors of the Trustee and the Manager are not aware of any circumstances which would render the values attributed to assets in the Trust's financial statements misleading.

Unusual Transactions

In the opinion of the directors of the Trustee and the Manager, the results of the operations of the Trust during the financial year were not substantially affected by any item, transaction or event of a material unusual nature, nor has there arisen between the end of the financial year and the date of this report any item, transaction or event of a material unusual nature likely, in the opinion of the directors of the Trustee and Manager, to affect substantially the results of the operations of the Trust in the current financial year.

Fair Value Reserves

The fair value reserve comprises the cumulative net change in the fair value of financial assets held at fair value through other comprehensive income until the investments are derecognised, disposed or impaired.

Basis of Accounting – Going Concern

The financial statements have been prepared on a going concern basis.

The directors of the Trustee and the Manager believe that the Trust has plans and strategies to generate adequate income available for distribution and cash flows from its operations, the Trust will be able to meet its obligations as and when they fall due, and the Trust will be able to continue in operation for at least 12 months from the date of approval of the financial statements. Therefore, the directors believe that the classification and carrying amounts of assets and liabilities as stated in these financial statements are appropriate.

Management is progressing the development of a new investment fund to diversify its revenue streams, broaden its product offering, and capitalize on emerging market opportunities. This initiative is expected to enhance the Trust's competitive position, expand its investor base, and contribute to sustainable earnings growth in the years ahead.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might become necessary should the Trust be unable to continue as a going concern.

Related Party Transactions

In the opinion of the directors of the Trustee and the Manager all related party transactions have been adequately recorded in the books of the Trust and reflected in the financial statements.

Events Subsequent to Balance Date

In July 2026, the directors declared the final dividend of $3,467,562 for the year ended 30 June 2026.

Apart from this, there has been no transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect significantly the operations of the Trust, the results of those operations or state of affairs of the Trust in subsequent financial year.

DIRECTOR'S REPORT [CONT'D]

Other Circumstances

As at date the Director's report for the year:

(i) no charge on the assets of the Trust has been given since the end of the financial year to secure the liabilities of any other person;

(ii) no contingent liabilities have arisen since the end of the financial year for which the Trust could become liable; and

(iii) no contingent liabilities or other liabilities of the Trust has become or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors of the Trustee and the Manager, will or may substantially affect the ability of the Trust to meet its obligations as and when they fall due.

As at the date of this report, the directors of the Trustee and the Manager are not aware of any circumstances that have arisen, not otherwise dealt with in this report or the Trust's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the Trust misleading or inappropriate.

Trustee's and Manager's Benefits

Since the end of the previous financial year, no directors of the Trustee or Manager has received or become entitled to receive a benefit (other than those included in the aggregate amount of emoluments received or due and receivable by the directors of the Trustee and Manager shown in the financial statements or received as the fixed salary of a full-time employee of a related party) by reason of a contract made by the Trust or by a related party with the directors of the Trustee or Manager or with a firm of which they are a member, or with a company in which they have a substantial financial interest.

Approval of the Financial Statements

The financial statements for the year ended 30 June 2026 together with the accompanying notes set out on pages 14 to 33 are approved as being in accordance with the books and records of the Fijian Holdings Unit Trust.

Signed in accordance with resolutions of the directors of the FHL Fund Management Limited and FHL Trustees Limited.

Dated this day 16th of September, 2026.

Director
FHL Fund Management Limited
Manager of Fijian Holdings Unit Trust

Director
FHL Trustees Limited
Trustee of Fijian Holdings Unit Trust

DIRECTOR'S DECLARATION FOR THE YEAR ENDED 30 JUNE 2026

The declaration by directors is required by the Companies Act, 2015.

The directors of FHL Fund Management Limited and FHL Trustees Limited have made a resolution that declares:

a) In the opinion of the directors, the financial statements of the Trust for the financial year ended 30 June 2026:

   i. comply with the International Financial Reporting Standards and give a true and fair view of the financial position of the Trust as at 30 June 2026 and of the performance and cash flows of the Trust for the year ended 30 June 2026; and

   ii. have been prepared in accordance with the Companies Act, 2015.

b) The directors have received independence declaration by auditors as required by Section 395 of the Companies Act, 2015; and

c) At the date of this declaration, in the opinion of the directors, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with resolutions of the directors of FHL Fund Management Limited and FHL Trustees Limited.

Dated this 16th day of September, 2026.

Director
FHL Fund Management Limited
Manager of Fijian Holdings Unit Trust

Director
FHL Trustees Limited
Trustee of Fijian Holdings Unit Trust

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Level 10, FNPF Place
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AUDITOR'S INDEPENDENCE DECLARATION

As auditor for the audit of Fijian Holdings Unit Trust for the financial year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.



Archana Chandra
Partner
Suva, Fiji



BDO
CHARTERED ACCOUNTANTS

16 SEPTEMBER 2026

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To the Unitholders of Fijian Holdings Unit Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fijian Holdings Unit Trust ("the Trust"), which comprise:

- the statement of financial position as at 30 June 2026;
- the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended; and
- notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Trust as at 30 June 2026, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Fiji and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The management and directors of the Trustee Company and Management Company are responsible for the other information. The other information comprises of the information included in the directors' report but does not include the financial statements and the auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the Management and Those Charged With Governance for the Financial Statements

The directors of the Trustee Company and Management Company ("directors") and management are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and the Companies Act, 2015, and for such internal control as the directors and management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management and directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management and directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The management and those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's and directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

We communicate with management and those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the management and those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the requirements of the Companies Act, 2015 in all material respects, and;

a) we have been given all information, explanations and assistance necessary for the conduct of the audit; and

b) the Trust has kept financial records sufficient to enable the financial statements to be prepared and audited.

BDO

BDO
CHARTERED ACCOUNTANTS

Achandra

Archana Chandra
Partner
Suva, Fiji
16 September 2026

FIJIAN HOLDINGS UNIT TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026	2025
Revenue		**$**	**$**
Interest Income	5 (a)	2,928,772	2,390,361
Dividend income	5 (b)	6,906,851	4,672,769
Net equalization		183,485	490,246
		10,019,108	7,553,376
Expenses			
Bank charges		10,669	9,639
Management fees		2,557,165	2,047,169
Professional fees	5 (c)	41,683	39,724
Trustee's fees		50,000	50,000
Other expenses		(57,395)	141,644
		2,602,122	2,288,176
Profit for the year		**7,416,986**	**5,265,200**
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Fair value gain on listed and unlisted equities and quoted managed funds		34,508,455	6,605,564
Items that may be subsequently reclassified to profit or loss:			
Fair value loss on government bonds		(474,362)	(189,092)
Total comprehensive income for the year		**41,451,079**	**11,681,672**

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

	Notes	2026	2025
		$	$
Unit holders' equity			
At 1 July		184,573,228	134,224,069
37,080,181 units created during the year (2025: 50,967,421 units)		49,352,805	64,294,370
12,348,126 units redeemed during the year (2025: 11,099,797 units)		(16,242,173)	(13,945,211)
At 30 June	11	217,683,860	184,573,228
Net income available for distribution			
At 1 July		3,609,877	3,564,414
Profit for the year		7,416,986	5,265,200
Transfer of cumulative fair value gain upon sale of listed and unlisted equities measured at Fair Value through Other Comprehensive Income from fair value reserves		57,646	699,090
Dividend declared and paid during the year		(7,604,040)	(5,918,827)
At 30 June	9	3,480,469	3,609,877
Fair value reserves			
At 1 July		49,123,892	43,406,510
Fair value gain on financial assets		34,034,093	6,416,472
Transfer of cumulative fair value loss / (gain) upon sale on listed and unlisted equities measured at Fair Value through Other Comprehensive Income to net income available for distribution		(57,646)	(699,090)
At 30 June	6	83,100,339	49,123,892
Total unit holders' equity		**304,264,668**	**237,306,997**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

FIJIAN HOLDINGS UNIT TRUST
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Notes	2026	2025
		$	$
Assets			
Cash and cash equivalents	13	28,494,065	46,471,345
Financial assets at amortised cost	7	53,053,996	47,521,036
Financial assets at fair value through other comprehensive income	8	223,614,881	143,994,721
		305,162,942	237,987,102
Liabilities			
Payables	10	(898,274)	(680,105)
		(898,274)	(680,105)
Net assets		**304,264,668**	**237,306,997**
Unit holders' equity			
Unit holders' equity repayable on demand:242,510,114 units fully paid (2025: 217,778,059 units)	11	217,683,860	184,573,228
Net income available for distribution	9	3,480,469	3,609,877
Fair value reserves	6	83,100,339	49,123,892
Total unit holders' equity		**304,264,668**	**237,306,997**

Signed in accordance with resolutions of the directors of FHL Fund Management Limited and FHL Trustees Limited.

Director
FHL Fund Management Limited
Manager of Fijian Holdings Unit Trust

Director
FHL Trustees Limited
Trustee of Fijian Holdings Unit Trust

The above statement of financial position should be read in conjunction with the accompanying notes.

	Note	2026	2025
		$	$
Cash flows from operating activities			
Cash received in the course of operations			
Interest		2,975,012	2,289,897
Dividend		5,018,659	6,390,603
Cash payments in the course of operations		(2,405,039)	(1,635,500)
Payment for purchase of shares and bonds, net		(45,506,251)	(15,176,988)
Payment for purchase of term deposits		(14,000,000)	(24,000,000)
Withdrawal of term deposits		10,527,033	11,689,367
Net cash flows used in operating activities		(43,390,586)	(20,442,621)
Cash flows from financing activities			
Proceeds from issue of units		49,259,520	64,356,119
Payments for repurchase of units		(16,242,174)	(13,945,211)
Distribution paid to unit holders		(7,604,040)	(5,918,827)
Net cash flows provided by financing activities		25,413,306	44,492,081
Net (decrease)/ increase in cash and cash equivalents		(17,977,280)	24,049,460
Cash and cash equivalents at the beginning of the year		46,471,345	22,421,885
Cash and cash equivalents at the end of the year	13	**28,494,065**	**46,471,345**

The accompanying notes form an integral part of this statement of cash flows.

NOTE 1. GENERAL INFORMATION

Fijian Holding Unit Trust ("the Trust") is a unit trust incorporated and domiciled in Fiji. The address of its registered office and principal place of business are disclosed in Note 15 to the financial statements.

Principal activity

The unit trust is an investment vehicle that allows investors' monies to be pooled with other unit holders' monies that in return are issued with units and become unit holders in the unit trust. The pooled funds are then invested by the Manager across a range of investments in accordance with the investment guidelines contained in the Investment Policy Statement.

Material accounting policies which have been adopted in the preparation of these financial statements are noted below. The financial statements were authorised for issue by the directors of the Trustee and the Manager on 16 September 2026.

NOTE 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) Statement of compliance

The financial statements have been drawn up in accordance with the Trust Deed, Companies Act 2015 and International Financial Reporting Standards (“IFRS”).

(b) Basis of preparation

The financial statements have been prepared on the basis of fair value measurement of assets and measurement at amortized cost for liabilities except where otherwise stated.

In the application of IFRS, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

The areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are critical to the financial statements are disclosed in Note 4.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

(c) Comparatives

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

(d) Functional and presentation currency

The Trust operates in Fiji and hence the financial statements are presented in Fiji dollars, which is the Trust's functional and presentation currency.

NOTE 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

(e) Changes in Accounting Policies

New standards, interpretations and amendments effective during the year

The following amendments are effective for the period beginning on or after 1 January 2025:

- Lack of Exchangeability (Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates).

- Disclosures about uncertainties in financial statements (amendments to illustrative examples on *IFRS 7, IAS 1, IAS 8, IAS 36 and 37)*.

New Standards, Interpretations and Amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Trust has decided not to adopt early.

The following amendments are effective for the period beginning on or after 1 January 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7).

The following standards are effective for the period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors).

Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The following standards are effective in Fiji for the period beginning on or after 1 January 2026:

- IFRS S1 - General requirements for disclosure of sustainability-related financial information. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across a Trust's value chain.

- IFRS S2 - Climate-related disclosures. This standard sets out requirements for entities to disclose information about climate-related risks and opportunities.

The Trust is currently assessing the effect of these new accounting standards and will adopt as applicable.

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

A summary of the material accounting policies adopted by the Trust is set out in this note. The policies adopted are in accordance with International Financial Reporting Standards ("IFRS"), and unless stated otherwise are consistent with those applied in the prior period.

(a) Financial Assets

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Trust becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI - debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Trust changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;

- On initial recognition of an equity investment that is not held for trading, the Trust may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis; and

- All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Trust may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

(a) Financial Assets (Cont'd)

(ii) Classification and subsequent measurement (Cont'd)

Financial assets: Business model assessment

The Trust makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Trust's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Trust's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Trust considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Trust considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Trust's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

(a) Financial Assets (Cont'd)

(ii) Classification and subsequent measurement (Cont'd)

Financial assets: Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Trust changes its business model for managing financial assets.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Derecognition

Financial assets

The Trust derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Trust neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Trust enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Trust derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Trust also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

(a) Financial Assets (Cont'd)

(iv) Modifications of financial assets

If the cash flows of the modified asset carried at amortised cost are not substantially different then the modification does not result in derecognition of the financial asset. In this case, the Trust recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses.

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Trust currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(b) Impairment of Financial Instruments

Financial instruments

The Trust recognises loss allowances for ECLs on financial assets measured at amortised cost. No impairment loss is recognised on equity investment.

The Trust measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12 month ECL:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Trust considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Trust's historical experience and informed credit assessment and including forward-looking information.

The Trust assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Trust considers a financial asset to be in default when:

- Trust to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Trust considers a debt security to have low credit risk when its credit risk rating is equivalent to the generally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12 month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Trust is exposed to credit risk.

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

(b) Impairment of Financial Instruments (Cont'd)

Measurement of ECLs

ECLs are a probability weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Trust expects to receive); and
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.
- ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Trust assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Trust on terms that the Trust would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Trust determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Trust's procedures for recovery of amounts due.

(c) Revenue Recognition

Interest income is recognised in profit or loss for all interest bearing financial assets using the effective interest method.

Dividend income from listed or quoted securities is recognised when the right to receive payment is established (normally the ex-dividend date). Dividends from unlisted and private equities are recognised when the Trust has received formal notification that a dividend has been declared and the right to receive the dividend is established. Other income is brought to account on an accrual basis.

(d) Distributions

In accordance with the Trust Deed, the Trust may distribute, by cash or reinvestment, all distributable income to unit holders. Distributable income is the Manager's estimate, with the Trustee's approval, of the amount the Trust may distribute, not exceeding the net income of the Trust for an accrual period.

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

(e) Management Fees

Management fees are standard fees stated under the terms of the Trust Deed and based on 1% on the value of total Trust Fund. This is payable after creation end and is calculated on the net asset value of the unit trust at the beginning of the next creation.

(f) Trustee Fees

Trustee fees payable to FHL Trustees Limited has been fixed at $50,000 per annum.

(g) Payables

These amounts represent liabilities for services provided to the Trust prior to the end of the financial year end which are unpaid.

(h) Entry Fees

The Manager is entitled under the Trust Deed to an entry fee of up to 3.5%. The entry fees only applies to units that are purchased by unit holders.

(i) Taxes

Income taxes

The Trust is not subject to income tax provided the distributable income is declared for distribution to unit holders.

Value Added Tax ("VAT")

The Trust is exempted from VAT.

(j) Cash and Cash Equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise cash on hand and cash in banks.

(k) Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Distributions are recognised as a liability in the period in which they are declared.

(l) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants and the measurement date in the principal or, in its absence, the most advantageous market to which the fund has access at that date. Consistent with established practice in Fiji, listed equity investments are measured at the closing share price on the South Pacific Stock Exchange, Australian Securities Exchange and Papua New Guinea Securities Exchange at each reporting date. Fiji Government Bonds are measured at the prices quoted by the Reserve Bank of Fiji at each reporting date as adjusted for accrued interest where this is material.

When available, the Trust measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as "active" if transactions for the asset or liabilities take place with sufficient frequency and volume to provide pricing information on an on-going basis, alternatively reasonable assessment is performed. The fair value of other unlisted equities is estimated with the assistance of independent valuers approved by the Fund Manager and Trustee as per the Trust Deed.

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

(l) Fair Value Measurement (Cont'd)

Where possible, the valuations use applicable price earnings ratios for similar listed companies, adjusted to reflect the specific circumstances of the issuer and may be based on following methodologies:

1. Discount Cashflow Model (DCF)
2. Net Tangible Asset Approach (NTA)
3. Future Maintainable Earnings Method (FME)
4. Capitalization of Dividends Method (CoD)

If there is no quoted price in an active market, then the Trust uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique seeks to incorporate all of the factors that market participants would take into account in pricing a transaction. The Trust recognizes transfers between levels of the fair value hierarchy as at the end of the reporting period during which the changes have occurred.

NOTE 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In application of the Trust's accounting policies, which are described in Note 3, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on various factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and judgments are continually evaluated and are based on various factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods. The critical judgments and assumptions made in applying the accounting policies of the Trust have been disclosed under the following notes to the financial statements:

Note 3(l) and Note 8 - Fair Value Measurement.

NOTE 5. REVENUE AND EXPENSES	**2026 $**	**2025 $**
(a) Interest income	2,928,772	2,390,361

Interest income is earned from terms deposits, government bonds, corporate bonds and cash at bank balance. The interest rate on term deposits ranged from 2.25% to 5.00% (2025: 2.25% to 4.50%), the interest rate on government bond ranged from 2.63% to 13.00% (2025: 3.00% to 13.00%), the interest rate on corporate bond ranged from 3.50% to 3.75% (2025: 3.50% to 3.75%) and the interest rate on cash at bank balance is 1.55% (2025: 1.00% to 1.55%) respectively.

(b) Dividend income	6,906,851	4,672,769

Dividend income is earned from investment in shares in listed and unlisted entities and from mutual funds.

(c) Professional fees

Auditor's remuneration:

- audit fees – current year	25,988	24,041
- other services	3,071	3,033
Valuation fees	12,624	12,650
	41,683	39,724

NOTE 6. FAIR VALUE RESERVES	**2026**	**2025**
	$	**$**
Net change in the fair value of financial assets at FVOCI	83,100,339	49,123,892
This is represented by as follows:		
Balance as at 1 July	49,123,892	43,406,510
Fair value gain on financial assets	34,034,093	6,416,472
Transfer of cumulative fair value loss / (gain) upon sale of listed, unlisted equities and government bonds are measured at Fair Value through Other Comprehensive Income to net income available for distribution	(57,646)	(699,090)
Balance as at 30 June	83,100,339	49,123,892

The fair value reserve comprises the cumulative net change in the fair value of equity investments and bonds until these financial assets are derecognised, disposed or impaired.

NOTE 7. FINANCIAL ASSETS AT AMORTISED COST

(a) Term deposits		
Short-term deposits	9,000,000	14,517,014
Long-term deposits (i)	40,121,867	31,000,000
	49,121,867	45,517,014
(b) Other receivables		
Accrued interest income	401,453	447,693
Accrued dividend income	2,183,549	356,675
Deposits	1,230,092	1,168,772
	3,815,094	1,973,140
Sundry debtor (ii)	124,405	34,825
Other Debtors (iii)	3,705	7,132
Less: allowance for impairment loss	(11,075)	(11,075)
	3,932,129	2,004,022
Total financial assets at amortised cost	53,053,996	47,521,036

(i) Long term deposits have a term of more than 12 months and earn interest at (2.25% to 5.00%) per annum (2025 : 2.80% to 4.50%).

(ii) Sundry debtor relates to balance receivable from agents, Post Fiji Pte Limited, Vodafone Fiji Pte Limited (M-paisa), Digicel (MyCash) and Sole Fintech Limited.

(iii) Other debtor relates to balance receivable from FHL Fund Management Limited.

NOTE 8. FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2026	2025
	$	$
Listed equities		
Shares quoted on stock exchanges:		
South Pacific Stock Exchange	136,032,334	69,542,575
Australian Securities Exchange	5,695,317	3,442,428
PNG's National Stock Exchange	16,752,642	14,859,737
	158,480,293	87,844,740
Unlisted equities		
Shares in unlisted entities	35,414,077	33,843,536
Quoted managed fund	5,715,818	5,240,512
	41,129,895	39,084,048
Bonds		
Fiji Government Bonds	17,004,693	12,065,933
Corporate Bonds	7,000,000	5,000,000
	24,004,693	17,065,933
Total financial assets held at fair value through other comprehensive income	223,614,881	143,994,721

Quoted shares

Consistent with established practice in Fiji, listed equity investments are measured at the closing share price on the South Pacific Stock Exchange, Australian Securities Exchange and PNG's National Stock Exchange at each reporting date. If required due to unusual circumstances, Trust undertakes reasonableness test to assess the quoted prices and does the required adjustments to quoted prices.

Unquoted shares

Unquoted investments have been designated as fair value through other comprehensive income where fair value has been assessed based on the valuation done by an independent valuer, Simmons Corporate Finance.

Unrealized net change in fair value of financial assets as at balance date is $83,100,339 (2025: $49,123,892).

Determining fair values

The Trust measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in active market for an identical instrument.

Level 2: Valuation technique based on observable inputs, either directly (i.e. as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using quoted market prices in active market for similar instrument; quoted prices for identical or similar instrument in the market that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted price for similar instruments where significant unobservable adjustments or assumption are required to reflect differences between the instruments. Fair values of financial assets that are traded in active markets are based on quoted prices or dealer price quotations. For unlisted equity investments, the Trust determines fair values using valuation techniques. Some or all of the significant inputs these valuations use may not be observable in the market and are derived from market prices or rates or are estimated based on assumptions.

NOTE 8. FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

Determining fair values (cont'd)

Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value. Management judgment and estimation are usually required for selection of the appropriate valuation model to be used and any key assumptions used in those valuation models such as appropriate price/earnings ratios.

The table below analyses financial assets measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized:

	Level 1 $	Level 2 $	Level 3 $	Total $
At 30 June 2026				
Listed equities	117,513,833	40,966,460	-	158,480,293
Shares in unlisted entities	-	1,632,290	33,781,787	35,414,077
Units in mutual funds	-	5,715,818	-	5,715,818
Government bonds	-	17,004,693	-	17,004,693
Corporate bonds	-	7,000,000	-	7,000,000
	117,513,833	72,319,261	33,781,787	223,614,881
At 30 June 2025				
Listed equities	85,961,702	1,883,038	-	87,844,740
Shares in unlisted entities	-	1,288,650	32,554,886	33,843,536
Units in mutual funds	-	5,240,512	-	5,240,512
Government bonds	-	12,065,933	-	12,065,933
Corporate bonds	-	5,000,000	-	5,000,000
	85,961,702	25,478,133	32,554,886	143,994,721

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values as well as the significant unobservable inputs used.

Type	Valuation Technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Shares in unlisted entities	Dividend's capitalization technique - The valuation model is based on the future maintainable dividends and capitalization rates. Shares in Fiji Gas Pte Limited are valued at the counter price as at reporting date. Shares held in mutual funds are valued at the exit price as at reporting date.	Forecasted dividend yield 7% to 9% (2025: 5.5% to 9%)	The estimated fair value would increase / (decrease) if any of the significant unobservable inputs were changed. Generally, a change in the growth rate is accompanied by directionally similar change in future maintainable dividends and earnings.
Government bonds	Market comparison - The fair value of the long-term investment securities is based on market prices published by the Reserve Bank of Fiji.	Not applicable	Not applicable
Corporate bonds	Carrying value of bonds approximate its fair value at reporting date.	Not applicable	Not applicable
Listed Equities	Carrying values are based on quoted market price and management's reasonableness assessment of the quoted prices.	Not applicable	Not applicable

Fair value of assets included in Level 3 are based on independent valuation conducted by Simmons Corporate Finance Limited.

NOTE 8. FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

Determining fair values (cont'd)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair value hierarchy:

	2026	2025
	$	$
Balance as at 1 July	32,554,886	34,173,137
Transfer into Level 1 from Level 3 (i)	-	(3,000,000)
Gain included in OCI- Net change in fair value	1,226,901	1,381,749
Balance as at 30 June	33,781,787	32,554,886

(i) During the year ended 30 June 2025, an investee company was listed on a stock exchange. As a result of the availability of quoted market prices, the fair value measurement for this investment has been transferred from Level 3 to Level 1 of the fair value hierarchy. The transfer reflects the change in the observability of inputs used in the valuation and occurred as of the date the investee company became publicly listed.

Sensitivity analysis

For the fair values of equity securities categorized as Level 3, a reasonably possible change of 5% decreased in the capitalization rates at the reporting date to the forecasted dividend yield holding other inputs constant would have the following effect:

Increase in Other Comprehensive Income	1,689,089	1,627,744

An increase in the capitalization rate of 5% at 30 June 2026 would have resulted in an equal but opposite effect to the amounts shown above.

NOTE 9. NET INCOME AVAILABLE FOR DISTRIBUTION

Final distribution payable to unit holders	3,480,469	3,609,877

NOTE 10. PAYABLES

Trust clearing	218,094	224,845
Sundry creditors	620,101	400,446
Accruals	60,079	54,814
	898,274	680,105

NOTE 11. UNIT HOLDERS' EQUITY

Unit holders' equity – 242,510,114 units (2025: 217,778,059 units)	217,683,860	184,573,228

NOTE 12. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Contingent liabilities

The Trustee and the Manager are not aware of any contingent liabilities at balance date (2025: $Nil).

Capital commitments

There were no capital commitments at balance date (2025: $Nil).

Operating lease commitments

There were no operating lease commitments at balance date (2025: $Nil).

NOTE 13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and balance with bank. Cash and cash equivalents included in the statement of cash flow comprise the following statement of financial position amounts:

	2026	2025
	$	$
Cash at bank	28,494,065	46,471,345
Total cash and cash equivalents	28,494,065	46,471,345

NOTE 14. RELATED PARTY DISCLOSURES

(a) Identity of related parties

Manager

The Manager of the Trust is FHL Fund Management Limited ("FFML"). The directors of FFML during the year were:

Mr. Alphonsus Pio Nataniela (Chairman)
Mr. Naushad Ali
Ms. Anaisi Mataitoga
Mr. Pretesh Prasad

Trustee

The Trustee of the Trust is FHL Trustees Limited ("FTL"). The directors of FTL during the year were:

Mr. Inia Naiyaga (Chairman)
Mr. Deve Toganivalu
Mr. Vula Vakacegu (Appointed on 11th August 2025)
Mr. Navin Raj (Resigned on 25th August 2025)

Others

The Trust holds investments with companies in the Fijian Holdings Group, including Fijian Holdings Limited, Merchant Finance Pte Limited and RB Patel Group Limited. FHL Stockbrokers Limited acts as broker for the Trust's listed investments.

(b) Transactions with related parties

(i) Transactions with Fijian Holdings Limited and its related parties

Related party	Nature of transaction	2026	2025
		$	$
Fijian Holdings Limited	Distributions	(268,126)	(245,390)
	Interest income	180,000	180,000
FHL Fund Management Limited	Management fees	(2,557,165)	(2,047,169)
	Manager's entry, rounding fees and other expenses	(1,638,191)	(2,219,590)
	Distributions	(35,397)	(31,617)
	Commission fees	48,255	42,386
FHL Stockbrokers Limited	Stock broking fees	160,000	110,900
	Distribution	3,053	2,727
Port Denarau Marina Limited	Dividend Income	197,445	2,023
RB Patel Group Limited	Dividend income	460,950	186,446
	Interest Income	42,583	-
Merchant Finance Pte Limited	Interest income	797,828	487,904
	Dividend income	2,250,000	2,100,000

NOTE 14. RELATED PARTY DISCLOSURES (CONT'D)

(b) Transactions with related parties (cont'd)

(ii) FHL Trustees Limited ("FTL")

Trustee fees payable to FHL Trustees Limited has been fixed at $50,000 per annum.

During the year, fees to FHL Trustees Limited amounted to $50,000 (2025: $50,000).

(iii) Owing by related parties	**2026**	**2025**
	$	**$**
Merchant Finance Pte Limited	1,534,087	19,117
RB Patel Group Limited	18,250	-
FHL Fund Management Limited	3,705	7,132
Fijian Holdings Limited	45,000	-
	1,601,042	26,249

(iv) Owing to related parties		
Owing to FHL Fund Management Limited	620,101	400,449
Owing to FHL Trustees Limited	2,083	2,083
	622,184	402,532

(v) Term deposits / Corporate Bonds		
Fijian Holdings Limited	5,000,000	5,000,000
RB Patel Group Limited	2,000,000	-
Merchant Finance Pte Limited	24,200,000	18,200,000
	31,200,000	23,200,000

(vi) Shares in related parties

Listed securities		
RB Patel Group Limited	24,975,145	24,723,717
Port Denarau Marina Limited	14,883,749	89,433
Fiji Television Limited	224,901	539,761
	40,083,795	25,352,911
Unlisted securities		
Merchant Finance Pte Limited	28,630,137	27,100,137
Golden Manufacturers Pte Limited	5,151,650	5,454,750
	33,781,787	32,554,887

NOTE 15. TRUST DETAILS

Date of formation

The Trust was established on 27 April 2001 and has a life of 60 years from its inception.

Registered office and principal place of business

The Trust's registered office and principal place of business is located at Level 6, Vanua Arcade, 77 Victoria Parade, Suva.

NOTE 16. EVENTS SUBSEQUENT TO BALANCE DATE

In July 2026, the directors declared the final dividend of $3,467,562 for the year ended 30 June 2026.

Apart from this there has been no transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect significantly the operations of the Trust, the results of those operations or state of affairs of the Trust in subsequent financial year.

NOTE 17. RISK MANAGEMENT POLICIES

The Trust has exposure to the following risks:

- Market risk;
- Operational risk;
- Credit risk; and
- Liquidity risk

This note presents information about the Trust's exposure to each of the above risks, the Trust's objectives, policies and processes for measuring and managing risk, and the Trust's management of funds.

The Manager has the overall responsibility for the establishment and oversight of the Trust's risk management framework. The Trust's risk management policies are established to identify and analyse the risks faced by the Trust, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities.

Market risk

(i) Interest rate

This is the risk borne by interest bearing assets such as term deposits, loans and bonds due to the changes in interest rate. Through its investment policy the Trust will aim to balance its portfolio through short term deposits and medium to long term government bonds and loans. At the reporting date the interest rate profile of the Trust's interest bearing financial instruments carrying amounts were:

Fixed rate instrument	2026	2025
	$	$
Term deposits	49,121,867	45,517,014
Bonds	24,004,693	17,065,933
	73,126,560	62,582,947

Fair value sensitivity analysis

The Trust does not account for any financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect the profit.

(ii) Foreign exchange risk

The Trust is exposed to foreign exchange risk arising from currency exposures since it has shares in Australian Securities Exchange and PNG National Stock Exchange.

NOTE 17. RISK MANAGEMENT POLICIES (CONT'D)

Market risk (cont'd)

(ii) Foreign exchange risk (cont'd)

The foreign currency exchange risk arises from future commercial transactions and recognized assets and liabilities. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency other than the Fiji dollar. For significant settlements the Trust is required to seek quotations from recognized banks and use the most favourable exchange rate for purposes of the settlement.

The carrying amount of the Trust's significant foreign currency denominated monetary assets at the end of the reporting year are as follows:

	2026	2025
	FJD $	FJD $
Assets – Foreign equities		
AUD	9,735,482	7,108,841
PGK	16,752,642	14,859,737

A strengthening or weakening of the Fiji Dollar against the AUD and PGK at the reporting date would have increased / decreased net assets by the amount shown below. This analysis is based on foreign currency exchange rate variances that the Trust considers to be reasonably possible at the reporting date. The analysis assumes that all other variables are constant.

10% increase in PGK	(1,522,967)	(1,350,885)
10% decrease in PGK	1,861,405	1,651,082
10% increase in AUD	(885,044)	(646,258)
10% decrease in AUD	1,081,720	789,871

(iii) Price Risk

Price risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. Different investments (cash, shares, bonds) tend to perform differently under the same operating environment.

Sensitivity analysis

The table below sets out the effect on net assets attributable to unit holders and profit or loss of a reasonably possible weakening in the individual equity market prices of listed equities of 5% at 30 June. The estimates are made on an individual investment basis. The analysis assumes that all other variables, in particular interest and foreign currency rates, remain constant.

Net loss from exchange-traded equity investments	7,924,014	4,392,237

A strengthening in the individual equity market price of 5% at 30th June would have resulted in an equal but opposite effect to the amounts shown above.

NOTE 17. RISK MANAGEMENT POLICIES (CONT'D)

Operational risk

(i) Legal risk

Legal risks refer to the risk of being legally non-compliant due to changes in Government and Regulators' current policies and regulations.

The Manager has an independent compliance officer who reports directly to the Audit, Risk and Compliance Committee. The Manager monitors changes to regulations for compliance and implementation of market best practices.

(ii) Operational risk

Operational risk is defined as the risk arising from the Trust's and its related entities business functions and from the practical implementation of the Manager's strategy for growing the Trust.

The Manager has developed an operations manual to deal with all operational processes in line with necessary regulations.

The Manager also conducts third party due diligence on new investments.

(iii) Data risk

This is the risk of losing information including unit holder account details even though there is a dual system storage of a hard copy filing system and electronic database.

The manager ensures confidentiality and security of all unit holders' information. The trust has developed a database system to store more information, conducts daily backups of electronic information and has developed a disaster recovery plan.

(iv) Performance

This relates to the risk that the Manager's investment selection may not achieve the objective of the Trust or produce acceptable returns for unit holders.

All unit holders (including potential ones) are fully informed of the risks involved.

(v) Conflicts of interests

Conflicts of interests between the Trust, Fijian Holdings Limited ("FHL"), FHL Fund Management Limited ("FFML") and FHL Trustees Limited ("FTL") may exist and also arise in the future in a number of areas relating to FHL past and on-going relationships, including potential acquisition or dispositions of business or real properties, payment of dividends and FHL and FFML management arrangements.

Under the Trust Deed, written approval is required from the Trustee for any Trust dealings with the associates of the Manager.

(vi) Political climate

The Trust operates in Fiji and changes to governments and the policies they implement may affect the overall economic situation and ultimately the returns of the Trust. To address this, the Trust reviews its pricing and investment portfolios regularly and responds to change in policies appropriately. In addition, changes to the Government's tax policies may impact on the returns of the Trust.

NOTE 17. RISK MANAGEMENT POLICIES (CONT'D)

Credit risk

This refers to the risk of losing investment funds due to companies and financial institutions in which the Trust has provided loans, defaulting on their repayments of principal or interest or both.

The Trust will minimize risk by conducting thorough due diligence on any investments it makes, ensure that there are guarantees on these investments by principal stakeholders or sister companies, limit the amount that is given as loans and implement certain conditions to allow the Trust to collect the funds.

The carrying amount of the financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2026	2025
	$	$
Cash and cash equivalents	28,494,065	46,471,345
Term deposits	49,121,867	45,517,014
Bonds	24,004,693	17,065,933
Other receivables	3,932,129	2,004,022
	105,552,754	111,058,314

Liquidity risk

This is the risk that the Trust will not be able to facilitate its unit holders' redemption request. The Trust aims to maintain a buffer fund in liquid assets at all times to meet expected normal redemptions. Under the Trust Deed, the manager, with the concurrence of the Trustee, may suspend the redemption of units for such time as may be necessary to realize sufficient liquid funds to meet any unusual redemption requests. The Trust managers its liquidity risk by investing at least 30% of total portfolio into short term deposit.

NOTE 17. RISK MANAGEMENT POLICIES (CONT'D)

Liquidity risk (Cont'd)

The table below analyses the Trust's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	No specific Maturity $	Less than 1 year $	Between 1 and 2 years $	Between 3 and 5 years $	Over 5 years $	Total $
At 30 June 2026						
Financial assets						
Listed and unlisted securities	193,894,370	-	-	-	-	193,894,370
Quoted Managed Funds	5,715,818	-	-	-	-	5,715,818
Bonds	-	2,693,696	5,633,977	7,828,675	18,997,529	35,153,877
Term deposits	-	10,670,963	22,447,554	20,348,323	-	53,466,840
Other receivables	-	3,932,130	-	-	-	3,932,130
Cash and cash equivalents	28,494,065	-	-	-	-	28,494,065
	228,104,253	17,296,789	28,081,531	28,176,998	18,997,529	320,657,100
Financial liabilities						
Payables	-	898,274	-	-	-	898,274
At 30 June 2025						
Financial assets						
Listed and unlisted securities	121,688,276	-	-	-	-	121,688,276
Quoted Managed Funds	5,240,512	-	-	-	-	5,240,512
Bonds	-	1,763,692	2,254,509	8,154,823	11,635,073	23,808,097
Term deposits	-	15,776,117	2,088,600	31,510,670	-	49,375,387
Other receivables	-	2,004,022	-	-	-	2,004,022
Cash and cash equivalents	46,471,345	-	-	-	-	46,471,345
	173,400,133	19,543,831	4,343,109	39,665,493	11,635,073	248,587,639
Financial liabilities						
Payables	-	680,105	-	-	-	680,105