

At 2.40pm on Monday 29<sup>th</sup> February, 2016 Vision Investments Limited (VIL) became the first company in over 4 years to list on the South Pacific Stock Exchange (SPSE or Exchange); a strategic move that was commended by Dr Nur Bano Ali the SPSE Chairperson as a profoundly progressive and motivating event not only for VIL but also for SPSE and the Fijian financial market.

VIL was formally welcomed to the Official List of the Exchange by the Reserve Bank of Fiji (RBF) Governor, Barry Whiteside, the Chief Guest of the listing ceremony through the ringing of the SPSE Trading Bell; last rung on 21<sup>st</sup> November, 2011 to mark the listing of Future Forests (Fiji ) Limited shares and convertible notes.

In his address, Governor Barry Whiteside acknowledged the great foresight of the founding shareholders of the Vision Group for their strategic decision to take VIL to another level of operational excellence and growth through a public listing.

The Listing Ceremony was attended and applauded by various representatives of Fiji's business community, the financial sector, corporate and legal advisory fraternity and regulatory agencies.

### **THE VISION GROUP JOURNEY AND THE BIRTH OF VIL**

- The current Vision Group consortium was formed in 2006 to acquire Courts (Fiji) Ltd. The Group's shareholders are:
  - R C Manubhai & Company Limited;
  - Jacks Equity Investment Limited;
  - Challenge Engineering Limited more popularly known as Automart Limited; and
  - Candle Investments Limited an investment arm of Parshotam Lawyers.
- Since then, within the Courts umbrella, the consortium acquired Carpets International, Sportsworld and Mahogany Industries.
- In 2012 Vision Motors was launched.
- All these Companies together with Vision Finance have now become successful arms of the new SPSE listed entity, VIL which now has 103,769,425 ordinary shares listed and tradable on the SPSE.
- Vision Group also acquired Hilton Fiji, Sonaisali Double Tree Hotel and Tadrai Island Resort in Nadi for its Hotel Cluster. It then started Dhoby's Laundry to support the Hotels. However, these entities are not part of the listed entity VIL.

### **LISTING HIGHLIGHTS:**

- On the day of listing, VIL founding shareholders divested 28,750,260 shares to institutional investors and 564,078 shares to retail investors in a total of 163 trades at share prices within the range of \$1.57 and \$1.70;
- All trading on the day of listing was conducted live at the Courts Samabula Megastore;
- VIL added \$176,408,023 to the market capitalisation of the Fijian stock market on the first day of listing. This elevates total market capitalisation to \$1.27 billion; an all-time high for the SPSE since the year 2000;
- VIL is now the second largest SPSE listed company and accounted for 13.91% of total market capitalisation at the conclusion of trading on the day of listing with telecommunications giant, Amalgamated Telecom Holdings Limited (ATH) at number one (41.60%).
- During the first two days of trading, a total of 151 new investors entered the Fijian stock market through the VIL listing.

#### **New major Shareholders of VIL**

- ✓ Fiji National Provident Fund Board;
- ✓ International Finance Corporation;
- ✓ BSP Life (Fiji) Ltd;
- ✓ Unit Trust of Fiji (Trustee Company) Ltd;
- ✓ FHL Trustees Ltd.

#### **10% Corporate Tax Rate**

As an SPSE listed company VIL now pays a reduced corporate tax rate of 10%; an incentive by the Fijian Government to encourage private companies to list on the SPSE and in turn increase the participation of Fijians (investors) in commerce.

### High Demand for VIL Shares

1 day after listing, a further 2,255,730 shares were divested to the general public in 172 transactions by the founding shareholders at \$1.75 per share.

### Tax Free Dividends

VIL investors, both resident and non-resident can look forward to **tax-free** dividends; an incentive provided by the Fijian Government for stock market investors.

## IMPACT OF VIL LISTING ON FIJI'S STOCK MARKET

- (i) **Proven Effectiveness of Recent Tax Incentive** – “VIL is the first entity to have tested some of the recent lucrative tax incentives offered by the Fijian Government to encourage companies, particularly family-owned companies to list. In particular, tax exemptions associated with reorganization, restructure or amalgamation of a company for the purpose of listing on the Exchange. The listing is testament to the effectiveness and appropriate application of tax incentives for the promotion of the Fijian stock market and also reflective of FRCA’s commitment to working closely with potential listed companies to understand and enjoy such incentives.” **(Dr Nur Bano Ali, SPSE Chairperson)**
- (ii) **Liquidity** – “In the recent past, the availability of investable stocks to meet the excess investor demand in the market has remained subdued. The VIL listing is therefore opportune because it injects much needed liquidity into the market with a total of 3 million shares to be divested overtime by founding shareholders. Investors who have been looking for shares with a competitive rate of return (tax free) will now have one such investment opportunity in VIL shares. This also complements the national financial inclusion agenda, supporting Government’s desire to promote wider participation of Fijians in commerce” **(Ms Latileta Qoro, SPSE Chief Executive Officer)**
- (iii) **Cornerstone Investor** – This listing features the World Bank’s International Finance Corporation (IFC) as a cornerstone investor in VIL. This reflects highly on VIL given the stringent due diligence processes and on-going reporting requirements that VIL will be subjected to and adds depth to the type of participants in Fiji’s stock market. The Exchange is also confident that the IFC’s presence will add-value to our regulatory environment whilst elevating SPSE’s reputation and presence in the region.

“An international investor of IFC’s calibre investing in an SPSE listed company heralds a new milestone in the depth and development of Fiji’s stock market and capital markets at large. **(Mr Dilip Khatri, VIL Chairman)**

## WHAT ABOUT FIJI'S CAPITAL MARKETS?

“The establishment of the capital markets industry especially the stock market has long been a part of Government’s economic reforms. While we acknowledge that the capital markets industry in Fiji has some way to go to achieve a profound impact on the rate at which our economy grows and creates jobs, firm actions by companies, such as the Vision Group, to take the decision to list, is significantly assisting the industry in reaching its potential as a vital engine for economic growth. This latest listing has created a greater supply of shares in the market and this augurs well for our overall capital markets strategy target of reaching 100,000 new investors by the year 2020.” **(Governor Barry Whiteside)**

### Did You Know?

- Financial advisory costs such as investment advisory fees, legal & accounting fees, underwriting fees and any other costs incurred by your company for the purpose of listing is 150% tax deductible.
- Income including any gain from the sale of shares that may arise from any reorganisation, reconstruction or amalgamation of a private company for the purposes of listing or as part of a listing process on SPSE, prior to listing, or after listing will be exempt from any taxes.

*(Proviso: the private company shall be listed with the SPSE within 24 months from the date of commencement of reorganisation, reconstruction or amalgamation)*

### Why Take Your Company Public?

- ✦ Share value appreciation
- ✦ Enhanced Corporate Discipline
- ✦ Greater visibility
- ✦ Objective Valuation of Your Company
- ✦ Access to capital
- ✦ Exit Strategy – Safeguarding Business Continuity



**Founding Shareholders, SPSE Chairperson and Chief Guest Governor Barry Whiteside observing a minute of silence for Fijians affected by TC Winston**



**VIL Chief Executive Officer, Mr PL Munasinghe**



**Invited Guests: Mr Brett Hooker, Ms Lorraine Seeto, Mr David Evans (VIL Independent Director) and Mr Div Damodar**



**VIL Chairman and owner of Jacks of Fiji, Mr Dilip Khatri**



**Ms Jenny Seeto, Mr Tom Ricketts and Mr Nalin Patel (VIL's Corporate Advisor & Listing Manager) at the Listing Ceremony**

**The SPSE Listing Team is available to meet with your Directors/Executive Management Team to present how a listing on the SPSE can unlock the value of your company and provide an impetus for further growth!**

**CONTACT US**

