GUIDE TO LISTING

SPX

SOUTH PACIFIC STOCK EXCHANGE

spx.com.fj

FUTURE IN

FOCUS

With the future in focus, the South Pacific Stock Exchange (SPX) is strategically positioning itself as a catalyst for capital market development in Fiji and the wider Pacific. In an era of accelerating regional and global shifts, SPX is building a stock market that is modern, resilient, and inclusive—connecting businesses with capital and investors with opportunity.

By modernizing its regulatory framework and embracing technological advancements, SPX is enhancing market transparency, operational efficiency and investor confidence, which are key pillars that will support sustained and sustainable growth. These efforts are part of a broader vision to future-proof the Exchange and align with the evolving expectations of global capital markets.

Looking ahead, SPX sees regional integration as a powerful enabler of market growth. A more connected Pacific market holds the potential to scale impact, deepen liquidity, and elevate the global visibility of Pacific enterprises.

By enabling broader access to equity financing and expanding retail investor participation, SPX is also deepening its role in national development—empowering businesses, fostering financial inclusion, and supporting sustainable economic growth.

Guided by a clear and ambitious vision, the SPX is building a dynamic, accessible, and future-ready equity market one that supports Fiji's economic ambitions and positions the country as a rising capital hub in the Pacific. With its future in focus, the South Pacific Stock Exchange is not just responding to change it is leading it.

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ABOUT US

SPX
SOUTH PACIFIC STOCK EXCHANGE

The South Pacific Stock Exchange (SPX) is Fiji's only licensed securities exchange, operating under the Companies Act 2015. It facilitates capital raising in the primary market and offers a fair, transparent platform for secondary market trading. The SPX is a private company with eight shareholders constituted by its Articles of Association and operates under the direction of its Board of Directors.

- Fiji Development Bank
- BSP Life (Fiji) Limited
- Kontiki Stockbroking Pte Limited
- FijiStock Brokers Pte Limited
- FHL Stockbrokers Pte Limited
- FNPF Investments Limited
- FNPF Nominees Limited
- Pacific Capital Markets Development Pty Limited

The SPX has two wholly owned subsidiary companies; Central Share Registry Pte Limited (CSRL) and SPX Trustees Limited (SPXT).

Central Share Registry
Depositing for your Wealth

CSRL, established in Fiji in August 2002, is the first central share registry, offering an Online Shareholder Portal to all listed entity investors through its fully functional website http://www.csr.com.fj/

CSRL offers share registry services to most SPX listed entities and certain unlisted companies in Fiji, as well as bond registry services to wholesale corporate bond issuers.

SPXT
SPX TRUSTEES LIMITED

SPXT, a Public Company registered in January 2021, was licensed and approved by the Reserve Bank of Fiji in August 2021 to act as trustee for borrowers conducting bond issuances.

SPXT began operations in December 2021, providing trustee services for beneficiaries under Energy Fiji Limited (EFL) and later representing bondholders when appointed by FHL in December 2022.

SPX – KEY MILESTONES IN OUR JOURNEY

1979

Establishment of the Suva Stock Exchange
SPX originated as a trading post with only six listed securities, marking the beginning of Fiji's capital market journey.

1996

Call Market Trading Introduced
Transition from a simple trading post to a call market session structure, enhancing market formality.

2000

Rebranded as South Pacific Stock Exchange (SPSE)
Adopted a regional identity to reflect broader ambitions beyond Fiji.

2002

Establishment of the Central Share Registry as the first Share Registry in Fiji.

2010

Electronic Trading Platform Launched
Automated trading was officially introduced on 1 July, enabling Stockbrokers to access the market remotely.

2016

Digitization of Registry Services
SPX subsidiary CSRL launched its cloud-based registry system (ShareSoft) and online shareholder portal, modernizing registry operations.

2019

Rebranding and Office Relocation
- Rebranded from SPSE to SPX with a new logo and identity; relocated to the Sabrina Building.
- SPX and PNGX Sign MOU for Regional Cooperation.

2021

SPXT Established and Major Registry Client Onboarded
SPX Trustee Limited (SPXT) was incorporated, marking the launch of the group's trustee services business. The same year, CSRL secured one of its most significant registry clients in the unlisted market—Energy Fiji Limited (EFL)—further expanding its client base and service capabilities.

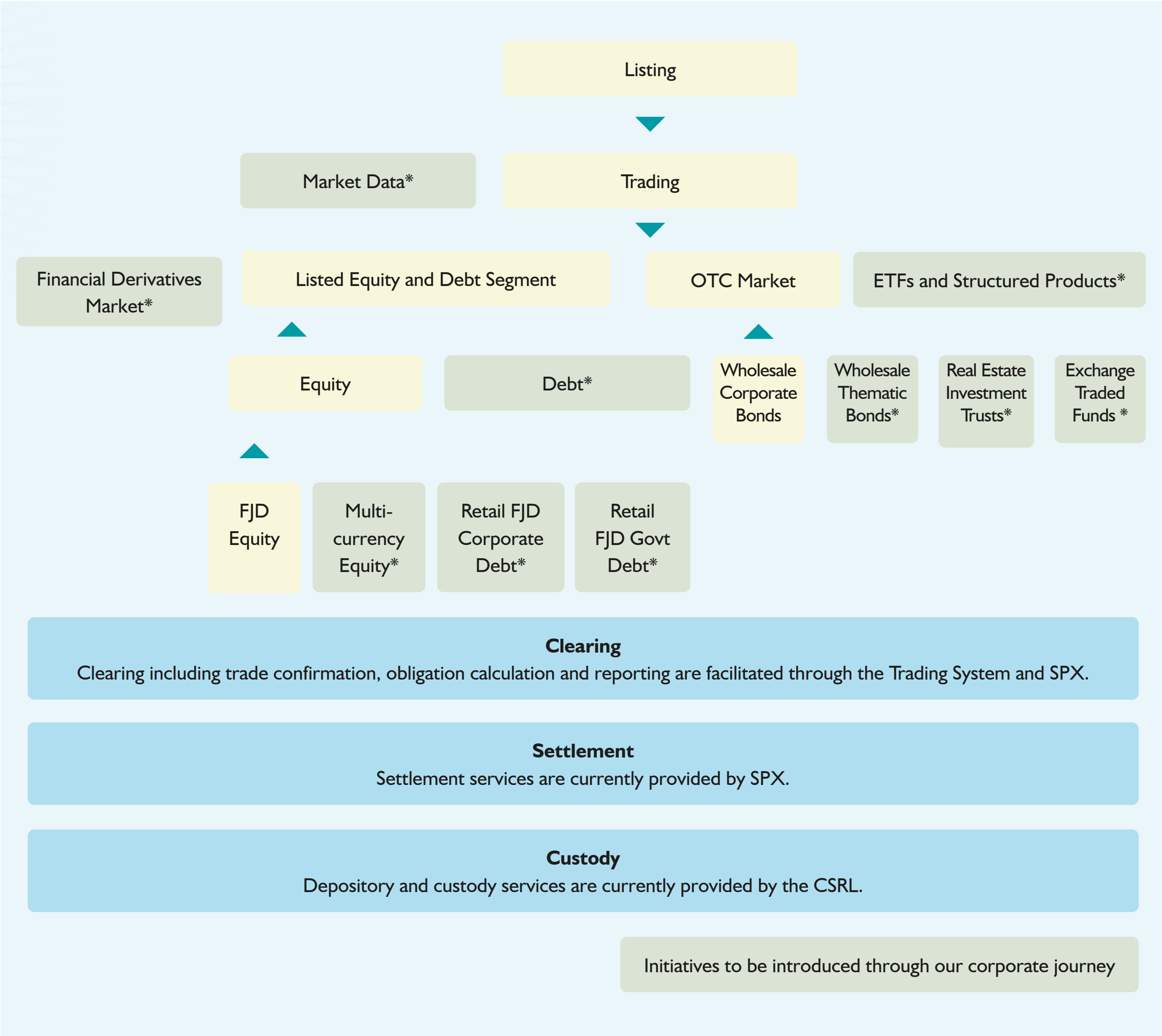
2022

First Wholesale Corporate Bond Listed in the newly established OTC Market
In December, SPX listed its first-ever Wholesale Corporate Bond, signalling the broadening of its product offering.

2024

First Post-Pandemic Equity Listing – Marked revival of capital raising.
"Invest for Tomorrow" Campaign – Nationwide drive to boost retail investor participation.

SHAPING FIJI'S CAPITAL MARKET OF TOMORROW: OUR ENVISIONED CORPORATE MODEL



LISTED ENTITY INFORMATION

Atlantic & Pacific Packaging Company Ltd (APP)

Date Listed: 17 Aug 98 | Listing Day Market Price (Close): $0.70 | Financial Year End: 30 June

Is the provider of packaging solution to FMF Foods Group of companies as well as to a number of other customers both locally and regionally; Tonga, Samoa, American Samoa and Vanuatu. It has specialised machines that produces a vast range of packaging materials including corrugated cartons, assorted containers and bags for any industry. APP's strongpoint is its ability to fast-track the design-to-delivery cycle due to its high flexibility in its production processes and in-house graphic capabilities. APP's production facility and processes are Certified under ISO: 9001:2000 to provide the best quality and service.

Amalgamated Telecom Holdings Ltd (ATH)

Date Listed: 18 Apr 02 | Listing Day Market Price (Close): $1.14 | Financial Year End: 30 June

Provides telecommunication services in Fiji and enhances the network of telecommunications, development of internet services, FinTech solutions and provision of computer hardware and software with technical support services through its subsidiaries; Telecom Fiji, Vodafone, FINTEL, Fiji Directories and Datec (Fiji) Pte Ltd. In previous years, the ATH Group has also expanded its footprint in the region, acquiring companies in Vanuatu, Kiribati, Samoa, American Samoa, Cook Islands and Papua New Guinea most recently constructing a greenfield mobile telecommunications network in Papua New Guinea.

Communications (Fiji) Ltd (CFL)

Date Listed: 20 Dec 01 | Listing Day Market Price (Close): $1.15 | Financial Year End: 31 December

Is the largest radio broadcasting company in the South Pacific and operates five radio stations in Fiji and, under its subsidiary company; PNG FM, a further three stations in PNG. CFL has developed a range of profit centres that complement the power of radio networks. These profit centres include; Total Event Company, FijiVillage and Magic Factory (Production Unit).

Free Bird Institute Ltd (FBL)

Date Listed: 02 Feb 17 | Listing Day Market Price (Close): $2.00 | Financial Year End: 31 December

Operates the first English only language institute catering only to international students who choose Fiji as their study abroad destination. It also provides an in-house insurance scheme along with foreign exchange services exclusively for its Japanese market. FBL has also diversified its operations to include the recruitment of human capital on behalf of its overseas based clients and started its Japanese language school to cater for the demand by their overseas based clients. Over the years, the company has diversified its operations in foreign exchange business, employment agency, driving school and restaurant business.

FijiCare Insurance Ltd (FIL)

Date Listed: 07 Dec 00 | Listing Day Market Price (Close): $0.60 | Financial Year End: 31 December

Is a general insurance company specialising in medical, term life, mortgage protection, personal accident, wagecare, public liability, funeral, motor vehicle insurance and micro insurance. FIL is currently diversifying in other products and services to meet the needs of the people in the Pacific Islands.

Fiji Television Ltd (FTV)

Date Listed: 24 Apr 97 | Listing Day Market Price (Close): $1.02 | Financial Year End: 30 June

Provides free to air commercial television broadcasting services in Fiji. FTV also sells program rights to other Pacific Island Countries and offers TV production, advertising, online, radio, and outside broadcasting services. FTV is also involved in the sale and service of radio, television, and communication products.

Kontiki Finance Ltd (KFL)

Date Listed: 04 Jul 18 | Listing Day Market Price (Close): $1.14 | Financial Year End: 30 June

Provides accessible and flexible finance solutions targeted mainly at consumers and small-to-medium enterprises. KFL's key products include debt consolidation, financing personal loans, financing of new and used motor vehicles, white goods, brown goods, furniture and technology products. For its retail and motor vehicle dealer partners, KFL is a full-service provider of accessible and easy-to-understand financing solutions that allows it to better serve its client relationships by managing credit applications, credit authorisation, billing, remittance and customer service processing.

Kinetic Growth Fund Ltd (KGF)

Date Listed: 16 Dec 04 | Listing Day Market Price (Close): $1.05 | Financial Year End: 31 December

Invests shareholders' funds in private equity projects and shares in Kontiki Fund with an objective of generating high growth returns for shareholders over the long-term.

Pleass Global Ltd (PBP)

Date Listed: 04 Feb 09 | Listing Day Market Price (Close): $0.94 | Financial Year End: 31 December

A diverse and growing corporation principally engaged in production and marketing of bottled water under the AquaSafe® and VaiWai® brands, operating a state-of the-art bottling operation at the source, for the domestic and export markets. PBP also operates a business unit selling single use daily items and manufactures packaging items. It also operates an adventure eco-tourism park and is in the establishment phase of organic farming and property development. PBP values the environment and sustainable practices are at the heart of all that they do. PBP's source land is certified organic providing assurance of protection of the sustainable water source.

Port Denarau Marina Ltd (PDM)

Date Listed: 14 Aug 19 | Listing Day Market Price (Close): $1.40 | Financial Year End: 31 July

Owns and operates a world-class multi-use marina facility on Denarau Island in Nadi. It strives to be the leading marina facility in the Pacific, providing exceptional customer service with safe and healthy facilities, ensuring the enhancement of Fiji's nautical tourism industry while protecting her distinct marine environment for future generation. PDM is ideally positioned to provide a stopover for rest, recreation and provisioning during cruising of the Fijian Islands. The fast-developing marina complex is the centre of yachting activity in Fiji, it is accessed through a well-marked channel that is 5 metres deep. The basin contains 52 fully serviced berths and 16 swing moorings including 20 berths capable of taking Superyachts up to 85 metres in length with 5 metres draft.

LISTED ENTITY INFORMATION

Pacific Green Industries (Fiji) Ltd (PGI)

Date Listed: 05 Jun 01 | Listing Day Market Price (Close): $1.90 | Financial Year End: 31 December

Engages in design, manufacture and sale of furniture and architectural products made from coconut palmwood.

RB Patel Group Ltd (RBG)

Date Listed: 17 Jul 01 | Listing Day Market Price (Close): $0.21* | Financial Year End: 30 June

Has a diversified business portfolio and is involved in supermarkets incorporating department stores, distribution, imports, exports, wholesale and property development and management. RBG is the only publicly listed supermarket chain in Fiji. The company's wholesaling arm complements its core business as it wholesales products that it imports. As a result, RBG benefits from cost and operational synergies present across its business segments.

The Rice Company of Fiji Ltd (RCF)

Date Listed: 20 Jan 97 | Listing Day Market Price (Close): $0.50 | Financial Year End: 30 June

Is engaged in grading, packing and selling rice which is a staple food for many households. RCF has developed a highly efficient processing line using fully automated machinery and has installed a rice sorter in the processing line to remove any foreign particles and unwanted bits and pieces so that every bag of rice is safe and of top quality. RCF has four varieties of rice that cover most preferences and recipe requirements; Calrose medium grain rice, Australian long grain rice, Thai/Vietnamese long grain rice and the fragrant Jasmine rice.

Sun Insurance Company Limited (SUN)

Date Listed: 15 Aug 24 | Listing Day Market Price (Close): $1.20 | Financial Year End: 31 December

SUN's business includes a wide range of general insurance and investment of funds. It offers a wide range of insurance products for people's protection and the operations involve the underwriting of risks and the management of claims. SUN underwrites the full spectrum of fire and general risks in the Fiji market such as Fire & Extraneous, Building Under Construction, Burglary, Contractor All Risk, Consequential Loss, Contractors Plant & Machinery, Contents, Equipment and Machinery, Fidelity Guarantee, All Risk, Houseowners, Marine Cargo, Motor Fleet, Marine Hull, Money, Motor Vehicle Commercial, Motor Vehicle – Others, Motor Vehicle – Private, Personal Accident, Public Liability, Motor Vehicle - Public Service Vehicles, Travel and Parametric. SUN has setup service centers in all parts of Fiji and also provides live online tracking of all claims with a 24hrs Roadside & Claims Assist Service.

Toyota Tsusho (South Sea) Ltd (TTS)

Date Listed: 07 Jun 79 | Listing Day Market Price (Close): $1.95 | Financial Year End: 31 March

Trading as Asco Motors, TTS operates through dealerships which are strategically located throughout Fiji, Tonga, Samoa and American Samoa. The company markets Toyota, Yamaha, Massey Ferguson, Bridgestone, Kobe, other world proven products and also operates the Avis franchise. In each region that Asco Motors operates, it is the market leader in many of the market segments and has been operating in the Pacific for nearly 100 years. Initially part of the Burns Philp Group, the company has been majority owned by Toyota Tsusho Corporation since 1998.

VB Holdings Ltd (VBH)

Date Listed: 01 Nov 01 | Listing Day Market Price (Close): $1.28 | Financial Year End: 31 December

Engages in property investment, financing of vehicles sold by related entities, fleet management services and other investments. Generally, VBH is known to be a company that operates through property management and fleet management segments.

Vision Investments Ltd (VIL)

Date Listed: 29 Feb 16 | Listing Day Market Price (Close): $1.70 | Financial Year End: 31 March

A diversified and successful business enterprise with a solid track record of growth and sustained earnings and a long history of trading in Fiji. The Company comprises of a mix of established and mature businesses with solid track record of profitability and other relatively new businesses in early stages of growth and profitability. Currently VIL Group consists of Courts, SportsWorld, Best Buys for Business, Carpets International, Vision Motors, Mahogany Industries (Fiji), Vision Finance and Home & More in PNG. The company has incorporated a fully owned subsidiary Vision Fintech Services Pte Limited which provides MoneyGram money transfer and foreign currency exchange services to the public. Vision Energy Solutions, a growing business in the Group specialises in the sale of Energy Solutions and renewable products and solutions.

Fijian Holdings Ltd (FHL)

Date Listed: 20 Jan 97 | Listing Day Market Price (Close): $0.18* | Financial Year End: 30 June

Was incorporated in 1984 to fulfil the objectives of the leaders of the iTaukei people, 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 specialising in investing in the manufacturing, building and construction, tourism, property, financial services, media and communications and retail sectors.

BSP Convertible Notes Ltd (BCN)

Date Listed: 11 May 10 | Listing Day Market Price (Close): $5.25 | Financial Year End: 31 December

Is a wholly owned subsidiary of BSP Financial Group Limited and has been incorporated in Fiji as a special purpose vehicle with limited powers under its Memorandum and Articles of Association.

*Adjusted for Share Splits

WHY GO PUBLIC?

Going public through an Initial Public Offering (IPO) marks a powerful milestone in a company's evolution — a signal that the business is ready to institutionalise its success and enter a new phase of disciplined, long-term growth.

A listing offers far more than just access to capital. It elevates a company's stature, bringing recognition, credibility, and visibility in the eyes of customers, partners, employees, and the wider financial community. The public markets also serve as a catalyst for stronger corporate governance. Listed companies are expected to uphold high standards of transparency, accountability, and board oversight — qualities that help attract long-term investors and enhance strategic decision-making.

Going public compels businesses to formalise internal processes and adopt structures that support sustainable growth, including succession planning and leadership development. This strengthens the organisation's ability to outlast its founders and transition into a professionally managed enterprise. For many business owners, this is a vital step toward legacy-building and preserving the value they've created over generations.

A listed status also provides a market-based valuation for the company and a liquid mechanism for existing shareholders to realise value. As shares become tradeable on a formal exchange, the business becomes more attractive to institutional investors and more agile in pursuing future capital raises or strategic mergers.

Whether it's to fuel growth, unlock value, attract talent, or build an enduring institution, going public is not just a financial event — it's a transformative journey. For those prepared to embrace the discipline and opportunity of life as a public company, the rewards can be substantial and far-reaching.

INCENTIVES TO LIST YOUR COMPANY ON SPX

Reduced corporate tax rate

Companies listed on SPX enjoy a 10% corporate tax reduction for the first 7 years after listing.

Tax-free dividends

Dividends paid by listed companies are tax-free for residents and for nonresidents.

Tax-free gains from trading

No capital gains tax applicable on gains derived from disposal of shares on SPX.
No income tax applicable on gains derived by residents from trading of shares.

No tax on consequential gains

Income from any gain of 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 SPX, prior to listing, or after listing will be exempt from any taxes. The private company shall be listed with the SPX within 24 months from the date of commencement of reorganisation, reconstruction or amalgamation.

Tax deduction for listing related costs

Financial advisory costs such as investment advisory fees, legal & accounting fees, underwriting fees and any other costs related to listing is 150% tax deductible.

WHAT FURTHER BENEFITS DOES LISTING OFFER YOU?

- **Access to capital**

  Going public provides opportunity to fund expansion projects, key acquisitions, organic growth, retire existing debt, invest in research and development or move into larger and diverse markets. Listing also allows for future equity through additional capital raising options for example, rights and options issues.

- **Reduce financial risk & improve financial status**

  Going public increases your company's equity base and creates more leverage for financing growth. It can also improve your debt to equity ratio, which can help you borrow additional funds as needed and may allow you to re-negotiate your existing debt on more favourable terms.

- **Share value appreciation**

  An equally powerful factor is the potential for increases in share price, hence increasing shareholder wealth along with the value of the company. Through a public offering, your founding shareholders can sell part of the company to new investors and make a good return from the sale.

- **Improved corporate reputation & higher visibility**

  An improved profile will enhance relations with stakeholders such as bankers and suppliers. Also a vast base of shareholders can effectively become brand ambassadors for the company creating more goodwill. An IPO and distribution of shares to a wider, more diverse investor base can create greater public awareness of your products and services. The visibility may give you a competitive advantage over privately held companies in the same industry. This profile may make it easier for you to expand nationally or internationally.

- **Enhanced wealth & liquidity for the owner**

  Creation of a public market for your shares increases liquidity and provides a market guide to calculate your wealth and net worth. Subject to certain restrictions, you may sell your shares in an IPO or sell your shares into the market at a later date. Publicly traded shares may also be more acceptable as collateral for personal loans.

- **Investment marked to market**

  Listing allows for an objective and fair valuation for your company through price determined by the market which improves the ability of your company to attract more institutional investors.

Mr Nitish Niranjan
Managing Director, CEO
VB Holdings Limited

The journey as a publicly listed company over the last 15 years has been very rewarding, especially when you consider our 70 years of history. It has been rewarding for everyone; existing shareholders, new shareholders, institutions, brokers, the investors and our customers.

The company has been able to acquire loans at a more competitive rate, as it is now under public scrutiny and has to adhere to consistent guidelines from SPX. It has given financiers more confidence in ratings and getting financial information than in a private company, as they can get a "market" view of the company's value and direction.

We have also noticed a greater willingness by corporate organsations, public companies, suppliers, customers and Government to deal with us, since our listing.

- **Succession planning**

  Founders of the company who wish to exit the business can transition this through attracting strategic partners and/or institutions through listing. This ensures the company's long-term survival beyond the current founders.

- **Institutional investment**

  Increased transparency (information efficiency) and trading liquidity (ease of entry and exit) are two factors that contribute to making companies attractive to institutional investors. Depending on the nature of investing institution, this can bring with it increased business credibility, stability and the certainty of having a pool of shareholders for future capital raising exercise.

- **Ability to take advantage of acquisition opportunities**
  Shares can be used as cash, for example, through share swap in acquiring another business.
- **Employee commitment**
  Enables the company to offer share option incentives which increases the ability to attract and retain high quality talent. This option also gives employees an opportunity to share in the financial success of the company.
- **Better disclosure**
  Listing prompts the company to improve its reporting and availing more useful information for decision making, both internally and externally. It also achieves high level of corporate governance that helps improve the company's profile.
- **Improved performance**
  The discipline that comes with being a listed company generally helps the board and management of a company to exercise their responsibilities in ways that benefit the company and its owners.
- **Clearance and settlement system**
  A public listing provides an efficient and well regulated framework within which trades are executed and settled.
- **Legacy Building and Intergenerational Transition**
  For family-owned or founder-led businesses, listing lays the foundation for a smooth transition to the next generation or professional leadership — ensuring long-term continuity beyond the current owners.

Mr Erik Larson
Chairman of Kinetic
Growth Fund Limited

Kinetic Growth Fund (KGF) has been listed on the South Pacific Stock Exchange for two decades. During this time, the company has grown along with the capital markets in Fiji. We have benefited greatly from the growth of some of our investee companies, particularly those that have themselves joined SPX, as they access the capital and wider investor base of being publicly held and listed. In addition, KGF has been able to use its public listing as a key strategic benefit. For example, we have been able to use our shares as part of a significant asset purchase, given the profile that the company had built by being publicly listed. Having the platform of the SPX to share with the public the value and growth stories of KGF has helped us to build and maintain a culture of proactive corporate governance and a strong reputation among the investing public.

REQUIREMENTS FOR GOING PUBLIC

What does "Going Public" mean?

- Many companies are established with capital contributed by a small number of investors, who become shareholders. As a business grows, additional capital can come from internally generated profits or sourced from private shareholders. However, for many reasons, obtaining capital through these means may not be possible with time which consequently will require a company to opt for alternative sources of capital and use other strategies to source financial resources. Raising additional funds by borrowing capital in the form of a commercial bank loan - referred to as "debt financing" or raising capital by offering part ownership of the company to the public - referred to as "equity financing" or "going public" are the avenues available.

- Equity financing or "going public" means raising capital through the stock market by offering and issuing new shares to the public. Equity funding offers a 'win-win' situation for a company in need of capital, those in the wider community looking for an investment and the economy in general. As a more economical way of raising capital, equity funding benefits potential shareholders in the form of dividends as well as capital appreciation.

Initial Listing Requirements for Equity Securities

- Any company can make a public offering if its own constitution (i.e. Memorandum and Articles of Association) does not prohibit it from doing so.

- Generally, if a company is making a public offering and at the same time will be listing on a stock exchange, the stock exchange will specify other conditions that the company must meet for listing. These include:

To list equity securities on the South Pacific Stock Exchange (SPX), a company must meet the following requirements:

Company Type

- Must be a public company under the Companies Act 2015
- Foreign companies may be eligible (subject to Rules 14 & 15)

Market Capitalisation

- Minimum initial market capitalisation of FJD $1 million. Market capitalisation is the total value of a company's shares (shares × price)

Public Shareholding

- At least 20% of total issued shares held by a minimum of 50 public shareholders

Share Structure

- Shares must be: Fully paid-up, of equal class and with full voting rights

Operating History

- At least 3 continuous financial years in current line of business
- At least 50% of current senior management and board must have served during that period

Working Capital

At the time of listing, the applicant must be a going concern or the successor of a going concern and must have sufficient working capital to last at least the next twelve (12) months.

Articles of Association

- Must comply with the Companies Act 2015 and SPX Listing Rules

Appointment of an Investment Advisor

- A Company applying for initial listing on the SPX must appoint an Investment Adviser.

Additional Conditions

- SPX may impose further requirements, including in consultation with the Reserve Bank of Fiji

What does it mean to be a listed company?

Becoming a listed company transforms your business from a privately held enterprise into a publicly owned entity — one whose shares are held by a broader community of investors. With this new structure comes not only capital-raising potential but also a greater sense of responsibility to shareholders and the wider market.

Public companies are expected to operate with a high degree of transparency, regularly sharing key updates, financial performance, and strategic developments. This level of openness builds trust and strengthens your company's reputation with investors, regulators, and the public alike.

Being listed also means actively managing your investor relationships and public image, as both can influence your company's share price and long-term value. Maintaining clear, timely communication with the market — in line with SPX's disclosure rules — is not just a compliance requirement, but a strategic advantage for growing your investor base and market confidence.

Importantly, these expectations bring significant rewards. Companies that demonstrate strong governance, consistent disclosure, and proactive engagement with shareholders are more likely to attract long-term institutional investors, enjoy higher market valuations, and build lasting brand credibility. Far from being a burden, the public company status becomes a platform for leadership, trust, and growth in the marketplace.

Mr Padam Raj Lala - Chairman of Sun Insurance Company Limited

Reflections on Going Public

Looking back over a 65-year career in the corporate world, I can confidently say that going public was the single best decision I have ever made. Transitioning from a family-controlled enterprise to a publicly listed company with over 500 shareholders was an immense challenge, one that required vision, dedication, and a strong support system.

I am deeply grateful for the unwavering support and expert guidance provided by our strategic partners, SPX, the Reserve Bank of Fiji (RBF), and our trusted corporate advisors. Their expertise and encouragement played a pivotal role in helping us navigate the complexities of this transformation. Thanks to their support, we achieved this significant milestone, and I am proud of what we have accomplished together.

Seeing the joy and pride on the faces of my shareholders, my children, grandchildren, and the broader community, when our market price doubled is truly priceless. It's a moment that resonates deeply with me, reaffirming that our success is not just personal, it belongs to everyone who believes in our vision and journey.

This achievement is not merely about leaving a legacy, it's about building a company with enduring value, an institution that belongs to a wider community of shareholders, now and into the future. Our goal is to create a lasting enterprise that benefits many, not just a few.

Going public has significantly enhanced Sun Insurance's financial strength, bolstered stakeholder confidence, and, most importantly, empowered us to expand our horizons and turn our ambitions into reality.

Vinka SPX and all who have supported us along the way. Your partnership has been instrumental in transforming our vision into reality.

THE PROCESS OF GOING PUBLIC

Methods of listing

In Fiji, companies seeking to go public have two distinct pathways to list their shares on the South Pacific Stock Exchange (SPX): a Public Offering (IPO) or a Compliance Listing. While an IPO involves offering shares to the public for the first time — often used to raise capital — a Compliance Listing allows already public companies with a sufficient shareholder base to list their shares without raising new funds.

The Compliance Listing route is particularly suited for companies that already meet SPX's listing requirements and wish to enjoy the benefits of a public listing without going through a full IPO process. This method is generally more cost-effective and efficient, especially for companies that have built their investor base through private placements or prior capital raising.

A company may apply for listing through either method, depending on its capital needs and readiness.

Public Offering

Under the public offering method, a company applies for listing and does a public offering of its securities. The public offering of its securities can be either:

- securities to be newly issued by the company; or
- securities sold by one or more existing security holder(s).

After the close of the public offering of securities, the company expects to meet the listing requirements and gets listed.

Compliance Listing

A compliance listing allows a company that already meets all listing requirements at the time of application to list its shares without raising new capital. This pathway is commonly used by companies that are already public and have built a broad shareholder base through private placements or gradual equity offerings.

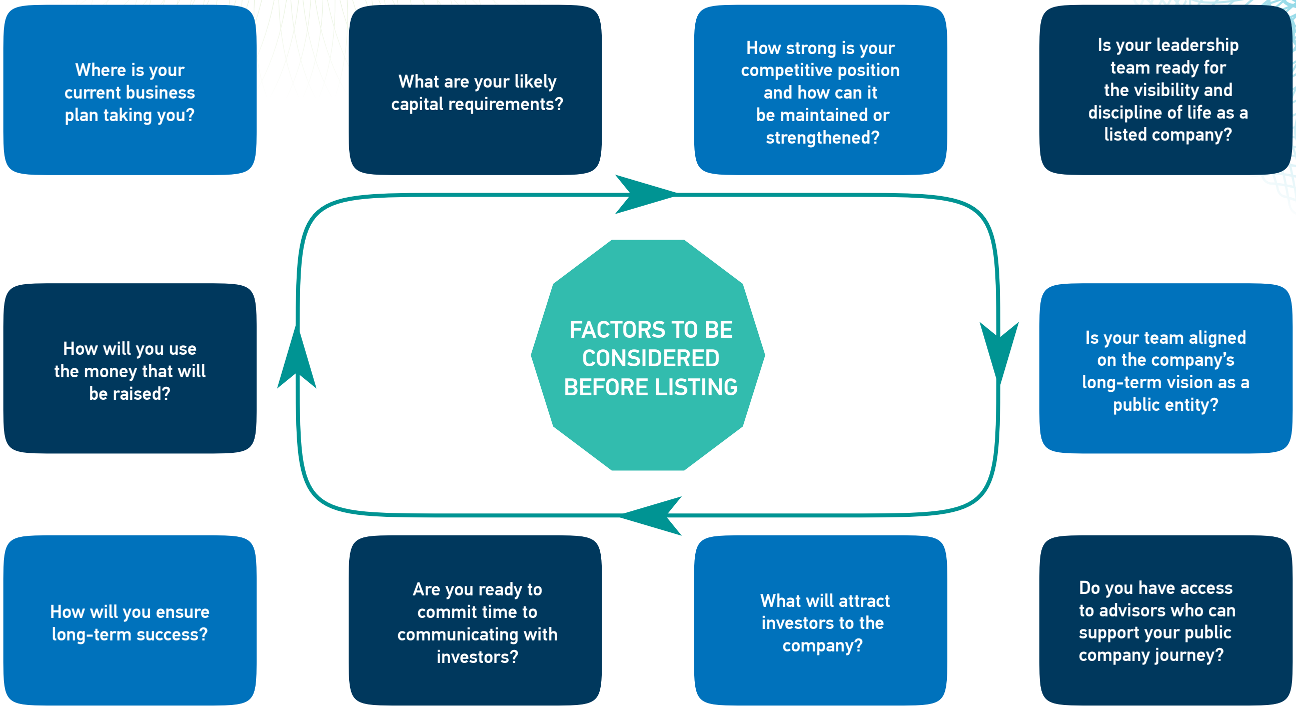
The IPO process

Initial Public Offerings (IPOs) are an exciting opportunity that a business can undertake as it reaches a certain stage in its business cycle. The decision on whether to list a company's shares on a stock exchange is a significant one as obtaining a public quote is a major milestone in any company's life. Putting a business more in the public eye than before also presents new challenges that can invigorate management and directors.

Consideration before going public and listing

At some point in time, many flourishing private companies do consider undertaking a listing and in doing so, they need to face some fundamental questions about the future of their business. A company's decision to launch an IPO must be based on a realistic assessment of its business, its management resources, its stage of development and its prospects. It is an essential decision which should be consistent with the company's long-term strategic goals.

Public ownership offers significant advantages, such as access to the public equity and debt markets to finance growth and strengthen a company's financial position, as well as the creation of an open market for a company's shares. However, a company will face heightened scrutiny and greater demands on its management.

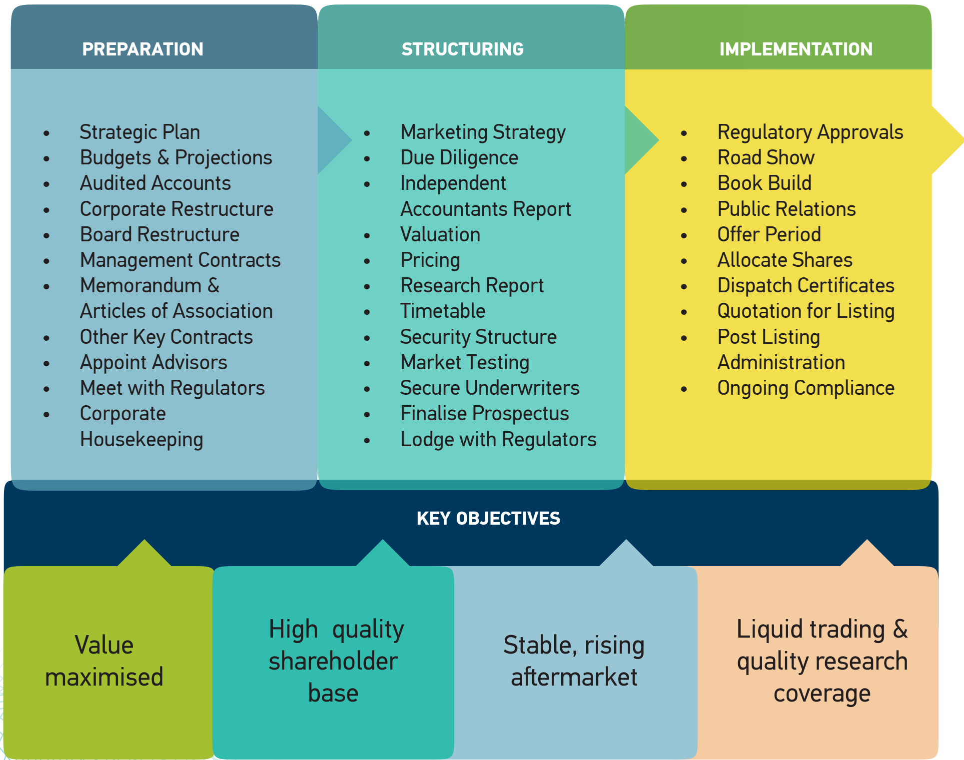


Timeline to list

Different companies will have different timelines; a company that already has public shareholders will probably have some elements in place as opposed to a company that is raising new capital which might require additional preparation. Essentially, the market conditions, scope and complexity of the company structure and possible restructure and a range of other factors can play a key role in determining the timeline.

Typically, to be able to meet all the requisites from pre-IPO to IPO phase through to listing can take anywhere from few months to more than a year. Companies that have already been planning for a possible public offer might be able to further accelerate the time to listing. It is best to discuss these matters with a licensed investment advisor.

Listing process-Example



Preparation phase

The business strategy needs to be long-term, covering 24–36 months before the IPO and 24–36 months after the IPO. A business plan should provide a clear road map for the company which may then be communicated to stakeholders. It should be implemented early enough for the changes to take root in the organisation.

Strategic plan

- Establish the vision for your company and the primary objectives that will shape the future direction, in both the short-term and the long-term. Define the formula that your company uses to make money and build shareholder value. Describe your strategic vision and business plan for the future.
- Advance preparation and planning are essential elements to making an IPO highly successful. Presenting the market with a well-prepared company not only provides investors with a more attractive investment alternative but also gives a strong indication of how you do business. This investor confidence will be a significant factor in determining the effort required to sell your offering.
- Performing a thorough review of your company now will also facilitate its transition to life as a public company.

Budgets & projections

- Investors will scrutinise your company and its bottomline performance much more closely than before. Investors seek companies with business models that performed well in the downturn, a solid track record, an actionable plan to sustain growth and those who are well able to service their interest and debt. You must also consider whether there is an appetite within the investment community for your equity story in your particular sector.
- The bottom-line is: your IPO valuation will be driven by market and the investor confidence.

Corporate restructure

- Analyse your existing corporate and capital structure with your advisors. Select structures that are simple and flexible and can be adapted to the changing needs of a public company over time. In addition, re-examine your management structure, including management roles, responsibilities, authorities and reporting structures.
- During this process, legal restructuring also takes place. A company's management, promoter and lawyers work together to draft the necessary legal documentation to align it to all applicable statutory requirements.

Board restructure

- Investors expect that your board will have a balance of knowledge of the business. Take time to build a public company board with a good mix of skills, including industry contacts, technical knowledge, business development, marketing, strategic planning, acquisition integration and financial expertise.

Memorandum & Articles of Association

- A company's Memorandum and Articles of Association must allow for public offerings.

Appointment of advisors

- Investment advisors are appointed to facilitate the listing process including the underwriting of share sale, preparation of offer documents (Prospectus or Information Memorandum).
- An investment advisor is able to advise a company through its pre-IPO preparation and will during the IPO process, lead a company's team of professional advisors and coordinate their roles to ensure a smooth listing process.
- Other advisors such as accountants, legal experts and underwriters need to be appointed as well.

Meet with regulators

- Meet with SPX listing team who will be able to guide you in the initial stages and also be able to get your executives in contact with the licensed investment advisors.

Structuring phase

Marketing strategy

- The advisor and company also sets up a comprehensive marketing plan targeting specific investors. Senior management from the company meet with the promoter in order to publish pre-deal research about the company. While material information would already be published in the prospectus, other considerable additional information is published to ensure full understanding of the company's business and sector.

Due diligence

- The overall purpose of due diligence is to ensure the accuracy, truthfulness and completeness of a company's prospectus and to understand any issues associated with the company. While each professional advisor performs a different role in this process, the promoter will focus on the diligence of a company's operations, management, financial prospects, historical performance, competitive position and business strategy.
- The advisors will also look closely at factors such as a company's suppliers, customers, creditors and anything else that might have a bearing on the offering or viability of a company as a public company and on the accuracy and completeness of the prospectus.

Pricing

- Underwriters typically advise a company to set a price that will encourage an active aftermarket in the shares. By pricing to allow for a modest price rise in the immediate aftermarket, investor interest can be quickly stimulated.
- A new issue will occasionally realise substantial price increases in the early weeks of the aftermarket, leading some people to conclude that the offering price had been seriously understated. In most cases, however, it reflects public optimism more than underwriting error and within a relatively short time the stock price generally returns to the more realistic levels anticipated by the underwriters.
- Since pricing reflects the market's valuation of your company; monitor market conditions, comparable companies and your offering's potential pricing throughout the process of going public. This activity will culminate in a round of final negotiations with your underwriters in the day or two prior to filing your final prospectus. At this point, you are reasonably certain you can complete your public offering.

Timetable

- Now that you have performed a thorough review of the company and assembled a strong team, it is time to develop the road map for going public. This entails developing a timeline and a framework for managing the process.
- Develop the timeline with specific benchmarks. Identify and assign specific responsibilities and put in place a process to monitor progress against the specific timeline.

Mr P.L. Munasinghe
Company Secretary of Vision Investments Limited

The Founder Shareholders took the decision to list the Company to take advantage of the attractive tax and other incentives put in place by the Government to encourage companies to list and also the low income tax rate applicable for Public Listed Companies. We were the first Company to navigate a raft of new tax laws and listing rules and regulations during the listing process. The process was even more challenging as the Regulators themselves were interpreting the new laws and regulations for the first time. Despite the challenges, one thing stood out; we received outstanding support and encouragement from the Regulators from the very beginning. The key objective for the listing was to unlock the value of the Company, which we knew was inherent in the business. We have since achieved this and pleased at the outcome. We are now determined to let the additional scrutiny and expectations of a wider Shareholder base and the market, spur us to a greater level of performance for the benefit of all our Stakeholders.

Secure underwriters

- The experience of underwriters in the company's industry and in IPOs can make a significant contribution towards the goal of a successful public offering. Underwriters are the vehicle through which your company's securities will be sold to the public.
- The primary goal when going public and listing on a stock exchange is to have a successful offering, to receive a fair price for the shares and to have a stable, liquid aftermarket trading in the shares.
- The underwriter's job is to ensure that these goals are achieved. Their main function is to underwrite share issues. This means that they make a commitment to buy the company's stock or to take it and sell it to investors.

Finalise offer documents

- The drafting of prospectus takes several weeks and will involve the input of all advisors. From a marketing perspective, the prospectus outlines a company's strengths, strategy, background and the board and management details.
- The precise areas that must be covered in a prospectus include the purpose of issue, details of the issuer and
- promoter, details of instrument offered, capital structure, key dates, historical financial performance indicators, financial projections, independent accountant's report, associated business risks and risk management policies and any other material or significant documents including the underwriting agreements.

Lodge with regulators

- Offer documents must be submitted to the Reserve Bank of Fiji (RBF) and SPX for approval.

RBF approval procedures:

- The RBF assesses the proposal considering the viability of a company, quality and capability of its management, interest of the public and suitability for listing of the company on a stock exchange. In assessing the above, the RBF reviews the proposal against the minimum requirements of the RBF Capital Raising Supervision policies which mainly focuses on capital requirements, profit test, longevity of operation in its current line of business, company structure, corporate governance framework, shareholders' resolution for issue of securities and capital raising.
- Following the assessment of these minimum requirements, RBF then proceeds to vet the disclosure documents (Prospectus or Information Memorandum). This is to ensure all relevant information regarding the company and the security being offered is disclosed to potential investors.

SPX approval procedures:

- SPX assesses listing applications based on detailed requirements set out in its Listing Rules. An applicant company must submit a formal Application for Listing, which includes a completed Listing Application and Agreement (Annexure A) and a full set of Supporting Documents as prescribed under Rule 26. These include, among other items, a certified copy of the certificate of incorporation, audited financial statements for the past three financial years, an updated Articles of Association aligned with the Companies Act 2015 and SPX Listing Rules, a current shareholder list distinguishing public and non-public holdings, and the relevant disclosure document—either a Registered Prospectus (for public offerings) or Information Memorandum (for compliance listings).
- In parallel, the company must appoint a licensed Investment Adviser, who must submit a completed Investment Adviser's Declaration (Annexure B). This declaration confirms that the company meets the listing requirements and that its directors understand their ongoing responsibilities as a listed entity.
- SPX reviews the application by evaluating the company's capital structure, compliance with the public shareholding requirement (minimum 20% held by at least 50 public shareholders), operational and management history (minimum three years with continuity in leadership), working capital adequacy, and the overall quality of disclosures provided. The company must also meet the minimum market capitalization threshold of FJ$1 million at the time of listing.
- SPX may, at its discretion under Rule 20, request further information or clarification to assess suitability. The exchange retains final discretion under Rule 19 to approve, reject, or conditionally accept any listing application.
- Once all requirements are satisfactorily met, SPX grants formal approval and the securities are admitted to the Official List.

Implementation phase

Regulatory approvals

- Your preliminary prospectus is filed with securities regulators. The regulators will coordinate the review of your prospectus and provide you with their responses describing any deficiencies noted in their review.
- Once the securities regulators receive satisfactory responses to these concerns, you will be in a position to file your final prospectus.

Road show & book building

- The roadshow is a series of meetings with potential investors. It typically includes a formal presentation by the executive management outlining the company's business operations, financial results, performance, markets, products and services.
- Your prospectus is, in part, a marketing document, but it is important to augment it with other marketing tools. This process typically involves working with your underwriters to develop a summary of the proposed offering containing prospectus and other information.
- The company and advisors will set up a comprehensive marketing plan to target specific investors in order to generate and capture investor demand for the issue.
- On the road show, you sell your story to potential investors.

Offer period

- Once the RBF has approved the prospectus, an advertisement must be placed in at least one daily newspaper announcing the public offering of shares, the offer period and where copies of the prospectus can be obtained from.
- Within three (3) days after the close of the public offering period, the company shall inform the SPX of the total number of shares subscribed for. In case of over-subscriptions, the company shall seek the SPX's approval for the company's proposed basis of allotment of shares.
- Within five (5) days after the close of the public offering period, the company must forward to all applicants letters of allotment or rejection (if any), accompanied by a refund of all monies received in excess of shares not allotted.
- Within three (3) days after allotment, the company or its registry must submit a list of allottees to SPX and provide written confirmation that share certificates or shareholding statements have been dispatched.

Quotation for listing & trading

- Application for listing
- 3-letter code for company
- Payment of fees
- Security listed and trading commences

Continuing listing requirements

- Disclosure of material information, where the information is likely to have a significant effect on the price of the listed securities or where such information is likely to be considered important by a reasonable investor in making an investment decision.
- Periodic disclosure, for example, submission of half yearly and annual audited financial statements as well as annual report.

Mr William Parkinson
Chairman of Communications (Fiji) Limited

We found the whole "going public" experience challenging but very beneficial. Not only were we able to access equity funds to reduce debt but we were able to reward talent through a number of equity and share option schemes. The process required us to introduce higher levels of corporate governance and increased levels of accountability right through the company. This resulted in substantial gains in the areas of cost efficiency, revenue generation and ultimately of course our bottom line. Recent reductions in corporate tax have accelerated this growth.

Continuing Your Listing Journey with Confidence

Becoming a listed company is a major milestone—but it's just the beginning of your journey in the public markets. Staying listed on SPX is straightforward, and the continuing requirements are designed to support transparency, build investor confidence, and position your company for long-term success.

Here's what's involved in remaining in good standing as a listed entity:

Keeping Investors Informed

Timely communication is key. Listed companies are expected to inform the market as soon as possible about any material developments—such as a new partnership, expansion, leadership changes, or financial performance that may influence investor decisions. If it's something a reasonable investor would consider important, it should be shared through SPX's Company Announcements Platform before being made public elsewhere. This ensures a fair and informed market for all.

Sharing Your Financial Progress

SPX-listed companies share their financial journey at regular intervals. Half-yearly financial statements are submitted within two months, annual audited accounts within three months, and the full annual report within four months after the end of the financial year. These reports help investors see how your business is growing and how their investment is performing. It's also a chance to demonstrate your company's commitment to accountability and transparency.

Publishing Your Annual Report

Your annual report tells the story of your business over the past year. It includes not only financial statements, but also key highlights, commentary on future plans, shareholder information, board and governance details, and a snapshot of your broader operations. SPX provides a clear framework for what to include, making the process easy to follow. The report is shared with shareholders and lodged with SPX for public access.

Strong Governance and Compliance

Good governance is good business. Listed companies appoint a Compliance Officer, ensure their board remains active and effective, and hold shareholder meetings in line with SPX's standards. An annual corporate governance statement is also submitted to SPX to show how the company is upholding its responsibilities. These steps help maintain investor trust and demonstrate sound leadership.

Maintaining Public Shareholding and Market Standing

To remain listed, companies must maintain at least 20% of their listed securities in public hands, held by a minimum of 50 shareholders. A minimum market capitalization of FJ$1 million must also be maintained. These thresholds ensure active investor participation and a vibrant secondary market. If your company ever falls short, SPX will work with you to restore compliance.

Managing Dividends and Key Dates

SPX provides a clear process for declaring dividends and setting record dates. Record dates must be announced at least 14 working days in advance, and declared dividends must be paid within 21 days. This helps keep your shareholders well-informed and ensures everyone knows when to expect returns on their investment.

Disclosing Changes in Major Shareholdings

If there are changes in substantial shareholdings—meaning any investor who owns 5% or more—these must be disclosed to SPX within three working days. This helps maintain a transparent view of ownership for the market. SPX provides standard forms to make this process simple.

Staying Connected with SPX

SPX is here to support your journey as a listed company. From time to time, we may request information or clarification to help verify compliance. We're committed to helping listed companies navigate these requirements smoothly and are always available to guide you.

COSTS OF GOING PUBLIC AND LISTING

- There are certain costs involved in going public and listing on the stock exchange. There are one-off listing costs that are incurred in the process of going public and then there are ongoing costs that a company will incur during its life of listing.
- The magnitude and scope of IPO costs can vary significantly from offering to offering based on a number of variables, such as the size of the offering, the complexity of the IPO structure and the organisation's readiness to be a public company. The cost of listing also varies widely depending on complexity of modelling the business and the work needed to generate market demand for its securities.
- An indicative fee ranges from 2% to 6% of capital raised or shares sold down. The cost will cover issue management and investment advisory, valuation model and research report, selling, underwriting, independent accountants report as well as other fees like legal, audit, statutory, offer document preparation, its approval and other company administration and management costs.
- Before undertaking an IPO, companies must fully consider the costs of the IPO process and the costs of building and maintaining a public company infrastructure. Preparing a detailed analysis of these costs will accelerate the budgeting process and make it more accurate; limit surprises throughout the IPO process; and provide organisations adequate time to develop an infrastructure that will support the requirements of life as a public company.

One-off listing costs

- These costs include any professional fees paid in preparing the company for listing, application fee for listing and other costs incurred in marketing and registering the securities as publicly listed.
- Professional fees are difficult to ascertain as it would really depend on the size, structure and complexity of the company and offer.
- **As an incentive to promote listing, most of the one-off fees incurred in the process of listing are 150% tax deductible.**

Legal fees

- Legal fees are incurred for the vetting of offer documents and general advice during restructure, offer and listing on SPX. The fee may vary depending on the nature of due diligence the legal counsel carries out, the structure of the company and the complexity of the transaction.

Audit fees

- Preparing audited accounts if the company was only preparing management accounts prior to listing. The fee may vary depending on the complexity of your company, the state of its accounting records and its financial position.

Independent accountants fees

- For services relating to preparation of independent accountants reports and financial statement summaries. The fee may vary depending on the size, complexity and structure of the company.

Investment advisor fees

- Includes overall management of public offer and listing process, due diligence, securities valuation,
- preparation of offer documents, road show costs, business establishment, business reorganisation and restructuring. The amount and format of these fees will be agreed upon by the issuer and the advisor.

Underwriting fees

- Underwriting is an arrangement where a licensed broker or financial institution guarantees to raise a certain amount of capital by purchasing any unsubscribed shares during an offer. While underwriting can offer added certainty—especially for larger public offerings—it is not a mandatory cost. Many companies, particularly those undertaking smaller or targeted issues, successfully raise capital without underwriting support.

Prospectus/Offer Document approval fees

- The fees for the application for registration of a prospectus or offer documents is prescribed in Schedule 1 of the Companies Regulations 2015. The fee is F$5,000 VEP and for offers above F$5 million an additional F$1 for every F$1,000 in excess of F$5 million. This is a non-refundable fee and is payable to the Reserve Bank of Fiji (RBF).

Company administration and management costs

- Includes stamp duties and general administration costs that may apply in some circumstances. These fees are usually determined on a case-by-case basis.

Printing and marketing costs

- Costs relating to printing of prospectus and other marketing brochures and materials.

Application fee for listing

- Payable for quotation of securities on the SPX official list. Fee will depend on the market value of the securities being listed.

Registry costs

- An important aspect of the going public process involves preparing for future relations with the investing public and the new shareholders. The task of coordinating the distribution of corporate communications to this important audience generally rests with the transfer agent, acting on behalf of the company. When the investing public is buying or selling shares, the share registrar handles the paperwork involved. The share registrar also maintains an accurate list of shareholders for the prompt distribution of dividends, as well as notices of shareholders' meetings, annual reports and other corporate communications that are important for maintaining the company's corporate image in the investment market place.

- Fees to initially setup the share registry for the company - F$1,500 per register.

Ongoing listing costs

- Once your company is listed, you'll take on a new level of visibility and credibility in the market. With that comes the ongoing responsibility of maintaining your listing. This typically includes an annual listing fee and registry service fees, which support the infrastructure that keeps your company accessible to investors and compliant with market standards.

- You may also see a modest increase in legal and accounting costs each year, reflecting the enhanced reporting and disclosure expectations of listed companies. These requirements are part of operating in a regulated environment and help reinforce investor trust and good governance—key ingredients for long-term growth.

Annual listing fees

- The annual listing fee is payable based on the value of the listed security (market capitalisation) as at 31st December immediately preceding.

Registry costs

- Registry fee is payable for maintenance and updating of shareholder records, registering transfers following trades, entitlement distributions and annual report distributions. Costs are as follows:
  - Ongoing register maintenance - F$250 per month plus F$1.50 per shareholder per month
  - Transaction fees - F$1.00 per side per trade
  - Dividends/Interest distribution - F$2.00 per shareholder
  - Annual Report distribution- Quotation based
  - Disbursements - at cost

Compliance costs

- Publication of Annual Reports.

- Any additional cost in relation to disclosure and corporate governance standards as a publicly listed company.

COMMON MISCONCEPTIONS ABOUT LISTING – AND WHY THEY'RE WRONG

The idea of "going public" is often surrounded by myths that create unnecessary fear or hesitation. The reality? Listing is a proven strategy to unlock capital, build long-term value, and elevate your company's reputation, without sacrificing control or exposing your business. Here's a look at some of the most common misconceptions, and the truth behind them:

"Listing means I'll lose control of my company."

- Going public doesn't mean giving up control. You determine how much equity to offer, and you can structure the shareholding to retain voting power, even with outside investors on board. Globally, many founders and families have listed their companies while keeping decision-making firmly in their hands. You choose the terms, and SPX supports structures that protect long-term vision and leadership continuity.

"The listing process is too complex and time-consuming."

- Yes, listing involves preparation as discussed above. But it's far from overwhelming. Licensed investment advisers walk you through every step, from preparing your documents to meeting disclosure requirements. SPX also provides hands-on guidance and has simplified procedures for first-time issuers. Listing is a well-trodden path, and with expert support, you'll find it both manageable and rewarding.

"I'll have to disclose my trade secrets or competitive advantage."

- SPX never requires disclosure of proprietary formulas, trade secrets, or sensitive strategies. Disclosure focuses only on material facts that can impact share price, such as financial performance, governance changes, or major corporate actions. If companies like Apple, Coca-Cola, and Unilever can protect their competitive edge while being listed, so can you. Confidentiality and public transparency can co-exist.

"I'll be forced to pay dividends every year."

- Paying dividends is a board decision— not an exchange requirement. Many listed companies choose to reinvest profits into growth, innovation, or expansion, especially in early stages. Investors understand that building long-term value often takes priority over short-term payouts. You control your dividend policy based on what makes strategic sense for your business.

"Listing is only for large companies."

- Listing is no longer the exclusive domain of corporate giants. Mid-sized businesses, family enterprises, and growing Fijian brands have all leveraged SPX to access capital and scale sustainably. The key is not your size—but your readiness, your ambition, and your growth story. SPX's framework is designed to support companies at different stages of their journey.

"Listing will expose me to unnecessary scrutiny."

- Being listed comes with oversight—but that's exactly what builds market trust. Investors and partners take confidence in knowing your company meets consistent reporting and governance standards. This transparency earns you a stronger reputation, better access to capital, and greater long-term valuation. It's scrutiny with purpose—and it pays off.

"It's too expensive to go public."

- Yes, listing has associated costs—but they're scalable and manageable. Listing and registry fees are transparent and competitively structured, and SPX works with you to tailor the process to fit your size and stage of growth.
- What's more, listing expenses are tax-deductible, and listed companies benefit from a 10% corporate tax reduction for 7 years—a meaningful incentive that translates into real bottom-line savings. In return, you gain access to capital, stronger investor confidence, enhanced visibility, and the opportunity to build long-term value.

The truth?

Listing doesn't limit your business-it expands your potential. With the right structure, the right advice, and the right support, going public can be one of the most strategic decisions you'll ever make.

WHAT MAKES A SUCCESSFUL LISTING?

Going public is more than a transaction, it's a transformation. While every company's journey is unique, the most successful listings share a number of common ingredients. These critical success factors can make the difference between simply listing, and truly thriving in the public market.

1. Early and Thorough Preparation

Start planning your IPO in advance. Early preparation allows you to build the internal discipline and structures of the company, long before the actual offer. This includes financial reporting, audit readiness, governance enhancements, and stakeholder engagement.

2. Strong and Aligned Leadership

A successful IPO requires a unified leadership team that understands both the business and the demands of being listed. This includes a capable CEO, a CFO, and a committed board of directors, including independent non-executive members who can enhance governance and investor confidence.

3. Clear and Credible Equity Story

Investors want to know where you're going, and how you'll get there. Your equity story must clearly communicate your value proposition, market opportunity, competitive advantage, growth strategy, and financial performance. It's not just about the numbers, it's about trust and vision.

4. Solid Financial and Operational Track Record

Companies with a clear track record of revenue, profitability (or a pathway to it), and operational discipline are viewed more favourably by investors. Ensure your financials are audit-ready, your working capital is well managed, and your internal controls are strong.

5. Governance and Risk Management Framework

Strong corporate governance is no longer optional, it's a market expectation. Establishing key governance structures such as an audit committee, risk management protocols, and independent oversight signals maturity and accountability to potential investors.

6. Effective Communication and Investor Relations

A successful IPO doesn't end at listing day. Ongoing investor communication is critical. Develop an investor relations strategy that includes consistent financial disclosure, responsive shareholder engagement, and clear messaging that aligns with your brand and performance.

7. Choosing the Right Advisers

Engage experienced legal, financial, and investment advisory teams who understand your business and the listing process. A good adviser will not only help you meet regulatory requirements but also position your offer for success and long-term shareholder value.

8. Realistic Valuation and Offer Structure

Successful IPOs are priced and structured in a way that creates long-term value, not just short-term hype. Work with your advisers to determine the right offer size, pricing strategy, and investor mix that aligns with your company's goals and market expectations.

WHOLESALE CORPORATE BONDS – MARKET-BASED DEBT FUNDING, DESIGNED FOR GROWTH

Wholesale Corporate Bonds (WCBs) are debt instruments issued by companies under the Companies (Wholesale Corporate Bonds) Regulations 2021, established by the Reserve Bank of Fiji (RBF) pursuant to Section 283(4)(d) of the Companies Act 2015. These bonds are offered exclusively to eligible wholesale investors, enabling companies to raise long-term funding through a market-based mechanism without the need to offer securities to the general public.

Why Consider a Wholesale Bond?

- **Raise Long-Term Debt-based Capital** for infrastructure, expansion, refinancing, or acquisition—on fixed or floating rate terms.
- **No Equity Dilution** – Maintain full ownership and control while accessing capital markets.
- **Streamlined Issuance** – No prospectus required; an Information Memorandum (IM) replaces retail-style disclosure.
- **Credibility and Visibility** – Gain investor confidence through regulatory oversight by SPX and RBF.
- **Professional Investor Base** – Engage with banks, insurers, funds, and sophisticated investors in a trusted environment.
- **Tax Deductibility** – Interest payments on bonds are typically deductible for tax purposes, reducing your financing cost.

Breakdown of Tax Incentives

- 150% Tax Deduction on Listing Costs.
  Companies that list corporate bonds on the South Pacific Stock Exchange (SPX) are entitled to a 150% tax deduction on prescribed costs incurred during the listing process. These costs typically include investment advisory fees, legal expenses, and other related expenditures.

- 150% Tax Deduction on Interest.
  Payments In addition to the above, companies are also allowed a separate 150% tax deduction on the interest payments made to bondholders under the terms of the corporate bond.

- Interest Income Exemption for Bondholders.
  Furthermore, interest income earned by bondholders from corporate bonds traded on the SPX is exempt from withholding tax, enhancing the attractiveness of these bonds to investors.

Is a Wholesale Bond Right for You?

WCBs are ideal for:

- Companies with predictable cash flows and strong financials
- Businesses seeking to fund large-scale projects or refinance loans
- Issuers looking for fast, efficient access to long-term funding without giving up equity

What Does the Issuance Process Look Like?

1. **Appoint a Licensed Investment Adviser**
   Required for all non-financial issuers. The adviser certifies compliance and helps structure the bond.
2. **Prepare Your Information Memorandum (IM)**
   The IM must include all material information investors need to assess the offering, and it must follow the RBF-prescribed format. The IM, Trust Deed, and Trustee agreement are filed with RBF.
3. **Enter a Trust Deed & Appoint a Trustee**
   All WCBs must be governed by a Trust Deed (under Part 27 of the Companies Act 2015) and a licensed Trustee, ensuring investor protections are in place.
4. **Apply to SPX for Listing on the OTC Market**
   Submit a complete listing application including the IM, Trust Deed, Financial Adviser declaration, audited financials, and the signed SPX Listing Contract.
5. **Issue and List**
   After RBF's compliance check (within 48 hours), the WCB is listed and available for trading between eligible parties through SPX member firms.

Continuous Obligations by Issuers

Wholesale Corporate Bond (WCB) issuers must comply with streamlined but specific continuing obligations. These include prompt disclosure of material information, timely submission of half-yearly and annual audited financial statements, maintenance of an approved insider trading policy, notification of changes to bond terms or board composition, and proper registry upkeep to ensure bonds remain held only by eligible investors. Additionally, interest payment schedules and any amendments to the Trust Deed must be reported to SPX.

Who Can Invest?

Only **eligible investors** as defined under regulation 4 of the WCB Regulations, such as:

- Licensed banks, insurers, credit institutions, or provident funds
- Approved managed investment schemes
- Multilateral development banks
- Any other investor purchasing over FJ$200,000 on the advice of a licensed investment adviser.

INVESTMENT ADVISORS

Role of an Investment Advisor

An investment advisor plays a critical role in guiding a company through the listing process. As the lead advisor and coordinator, the investment advisor helps assess the company's readiness, structure the offering, and determine the optimal pricing and timing for the Initial Public Offering (IPO). They assist in preparing the offer document, conducting due diligence, and ensuring regulatory compliance. In addition, the investment advisor often takes charge of marketing the offering to potential investors through roadshows and institutional outreach, helping to generate interest and build demand. By leveraging their capital markets expertise and investor network, investment advisors enhance the success and credibility of the listing.

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GLOSSARY

- **Acquisition** – acquiring another company by purchasing its shares.
- **Aftermarket** – the public market for a company's securities after the IPO. Also known as secondary market.
- **Allotment** – is a method of distributing shares to investors when an issue has been subscribed. A company will divide the shares that they had offered on the basis that was set out in the prospectus.
- **Articles of Association** - a document that specifies the regulations for a company's operations and governs the mode of conducting the business of a company and its internal organisation. It sets out the rights and obligations of shareholders and directors of the company. It also covers the types of securities that the company can issue.
- **Continuing Listing Requirements** – periodic disclosure of material information, where the information is likely to have a significant effect on the price of the listed securities.
- **Corporate Governance** - a system of rules, practices and processes by which a company is directed and controlled. Corporate governance essentially involves balancing the interests of the many stakeholders in a company - these include its shareholders, management, customers, suppliers, financiers, government and the community.
- **Due Diligence** – the process of gathering and confirming information about a company and its business, management and financial affairs.
- **Financial Risk** – is the possibility that shareholders will lose money when they invest in a company that has debt, if the company's cash flow proves inadequate to meet its financial obligations.
- **Initial Public Offering (IPO)** – refers to the first time a company offers its shares to the public.
- **Investment Advisor** – an individual, sometimes referred to as an investment banker, who acts as an intermediary and whose principal functions are to identify companies that need financing and then provide them with advice on the corporate financing functions and methods to obtain both short-term and long-term financing.
- **Market Capitalisation** - is the total value of the issued shares of a publicly traded company. It is equal to the share price times the number of shares outstanding.
- **Prospectus** - is a disclosure document that describes a financial security to potential buyers. A prospectus should contain the facts that an investor needs to understand in order to make an informed investment decision. It is also known as an "offer document".
- **Renunciation** – based on the basis of allotting the shares, the company will determine which applications for the shares will be declined.
- **Road Show** - refers to when the management of a company that is issuing securities or doing an initial public offering (IPO) travels around the country to give presentations to analysts, fund managers and potential investors.
- **Trading Hours** – a stipulated time during a business day when listed securities can be bought and sold on the trading platform.
- **Underwriting** – a guarantee that funds will be made available to a company to purchase unsubscribed shares at a specific time and on agreed terms and conditions. The underwriter is the guarantor of the availability of these funds.

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GIVE US A CALL TODAY OR MEET ONE OF OUR LICENSED INVESTMENT ADVISORS NOW AND START PLANNING EARLY!

Whether you're still exploring the idea of going public or ready to start preparing for an IPO, the best time to begin is now. SPX and our network of licensed investment advisers are here to guide you every step of the way.

Begin the IPO readiness process early enough so that your pre-listed company acts and operates like a public company at least a year before the IPO.

Commit resources to the IPO process and build the quality management team, robust financial and business infrastructure, corporate governance and investor relations strategy that will attract the right investors.

Recognise the need for enhanced corporate governance - especially recruiting qualified non-executive board members, improved internal controls and forming a qualified audit committee.

Fine-tune your internal business operations - especially working capital management, regulatory risk and rationalising the business structure.

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