

**FIH group plc**  
**("FIH" or the "Group")**

**Results for the Six Months Ended 30 September 2021**

FIH, the AIM quoted Group that owns essential services businesses in the UK and Falkland Islands, is pleased to announce its unaudited results for the six months ended 30 September 2021 ("the period"). Comparisons shown below are for the same period in 2020 unless otherwise stated.

***Return to Profitability and Dividend List***

**Highlights**

- Group revenue increased by 20% to £17.3 million (2020: £14.4 million) reflecting a markedly better performance from the UK based businesses and a continued good performance from the Falkland Islands Company ("FIC");
- Pre-tax profit of £0.4 million (2020: loss of £0.2 million) with trading improving alongside the lifting of restrictions in the UK and significant scope for further improvement;
- Passenger numbers rising again for Portsmouth Harbour Ferry Company ("PHFC") as people return to offices, and following cost savings from a 25% reduction in headcount last year, PHFC is expected to continue its recovery;
- Much improved performance from Momart despite sections of the art world still largely shut and assuming the gradual reopening continues, further improvement is anticipated;
- Strong cash position of £8.0 million as at 30 September 2021; and
- Return to the dividend list with the payment of an interim dividend of 1.0 pence per share.

**Outlook**

- Direction of travel encouraging across all three divisions with the potential to accelerate further;
- Balance sheet strength continues to underpin trading position and provide strategic flexibility; and
- Overall, the outlook is positive as reflected in the Board's decision to re-instate the dividend.

**John Foster, Chief Executive, said:**

"We have three good businesses and when conditions permitted, the Group quickly returned to profitability. Our financial position is strong and customer activity is heading back towards pre-pandemic levels. We are also benefitting from the actions taken last year to reduce our cost base, whilst continuing to invest in areas where we see opportunities. We expect the progress demonstrated in the Group's first half results to continue as we move into the traditionally stronger second half."

**Enquiries:**

|  |                    |
|--|--------------------|
| <b>FIH group plc</b><br>John Foster, Chief Executive<br>Stuart Munro, Chief Financial Officer    | Tel: 01279 461630  |
| <b>WH Ireland Ltd. - NOMAD and Broker to FIH</b><br>Adrian Hadden / Jessica Cave / Megan Liddell | Tel: 0207 220 1666 |
| <b>Novella Communications</b><br>Tim Robertson / Chris Marsh                                     | Tel: 020 3151 7008 |

## **Market Abuse Regulation (MAR) Disclosure**

The information contained within this announcement is deemed by the Company to constitute inside information. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

## Chairman's Statement

I am pleased to report further progress in the Group's recovery from the adverse effects of the coronavirus. FIH's UK operations saw a slow return towards more normal trading as lockdown restrictions were finally lifted in England in late July 2021 whilst the Falkland Islands Company ("FIC"), which has been much less affected by COVID-19, maintained its healthy profitability in the traditionally quieter austral winter.

A detailed commentary on the results is provided in the Chief Executive's Review but in overview, although demand has not yet fully returned to pre-COVID levels, profitability improved across the Group despite a marked reduction in the level of financial support from the UK government's furlough scheme allowing the Group to produce a pre-tax profit of £0.4 million for the six months ended 30 September 2021 compared to a loss of £0.2 million in the same period last year.

In April 2021, the Group took steps to further strengthen its executive team with the recruitment of an experienced Chief Financial Officer, Stuart Munro, and in the Falkland Islands, an experienced executive was recruited to further develop FIC's construction and infrastructure activities and its ability to deliver larger more complex projects.

Provided there is no recurrence of lockdown restrictions, we expect to see further improvement in the Group's traditionally stronger second half, reinforced by a continuing return to more normal patterns of business and client activity.

Once again, our staff have shown great resilience and dedication, applying considerable skill and devotion to the needs of our customers, so I would like to thank them on behalf of the Board for all their efforts.

Reflecting the Board's confidence in the underlying resilience of the Group, its return to profitability before taking into account Government support and its ability to recover from the effects of the pandemic, the Board is announcing the resumption of dividends with the payment of an interim dividend of 1.0 pence per share which will be paid on 14 January 2022 to shareholders on the register at the close of business on 3 December 2021.

The Group has a Dividend Reinvestment Plan ("the Plan") that allows shareholders to reinvest dividends to purchase additional shares in the Group. For shareholders to apply the proceeds of this and future dividends to the Plan, application forms must be received by the Group's Registrars by no later than Wednesday 22 December 2021\*.

Firm progress has been made in the past six months and with the benefit of a lower cost base following the necessary restructuring activity seen last year, steadily recovering demand, and a strong balance sheet, the Board looks to the future with confidence.

### **Robin Williams**

Chairman

10 November 2021

\* Existing participants in the Plan will automatically have the interim dividend reinvested. Details on the Plan can be obtained from Link Group on 0371 664 0381 or at [www.signalshares.com](http://www.signalshares.com). Calls are charged at the standard geographic rate and will vary by provider. If you are outside the United Kingdom, please call +44 371 664 0381. Calls outside the United Kingdom will be charged at the applicable international rate. The lines are open from 9.00am to 5.30pm, Monday to Friday excluding public holidays in England and Wales.

## Chief Executive's Review

### Overview

The Group's results for the six months to 30 September 2021 reflect a slow but steady improvement in activity compared to first half of the previous financial year. The Group's UK businesses enjoyed a marked increase in revenue and a welcome move back towards profitability and in the Falkland Islands, FIC delivered another robust performance. This encouraging performance was achieved despite the adverse effects of COVID-19, which saw lockdown restrictions in place for many weeks at the start of the period, and not fully released in England until late July 2021. Despite these challenges and an increased investment in central management, the Group was able to move back into profit, returning a profit before tax of £0.4 million in the period compared to a loss of £0.2 million in the prior year. This result can also be compared to a profit before tax of £1.3 million in the period to September 2019 which was not impacted at all by COVID-19.

In both the UK businesses, activity steadily improved as lockdown restrictions were removed from mid-April onwards and public confidence was slowly rebuilt. The Falkland Islands were free from local restrictions but remained essentially quarantined from the outside world. However, economic activity remained solid and helped by a much-improved illex squid catch, FIC was able to maintain a healthy level of profitability.

In the face of still challenging trading conditions and improving, but reduced demand for services, both the Group's UK businesses benefitted from the restructuring programmes put in place last autumn, which delivered £1.6m of savings in annual operating costs and accelerated their return to profitability. The gradually increasing activity levels evident in the period, together with a reduced UK headcount did however lead to a significant fall in the level of Government support and income from the Job Retention Scheme and related grants fell by 78.6% to £0.3 million compared to the £1.4m received in the prior period.

By September 2021, despite increased investment in head office resource to support longer term growth, the Group returned to consistent profitability compared to the COVID-induced losses seen at the start of the period. Further improvement is expected in the traditionally stronger second half, augmented by a continued building of customer demand as the impact of COVID-19 steadily recedes.

### Group Trading Results for the Six Months Ended 30 September 2021

A summary of the trading performance of the Group is given in the table below.

| Six Months Ended 30 September                    | 2021<br>£ million | 2020<br>£ million |
|--|-------------------|-------------------|
| <b>Group Revenue</b>                             |                   |                   |
| Falkland Islands Company                         | 9.9               | 9.7               |
| Portsmouth Harbour Ferry                         | 1.5               | 0.8               |
| Momart   | 5.9               | 3.9               |
| <b>Total revenue</b>                             | <b>17.3</b>       | 14.4              |
| <b>Group Underlying Pre-tax Profit*</b>          |                   |                   |
| Falkland Islands Company**                       | 0.6               | 0.8               |
| Portsmouth Harbour Ferry**                       | -                 | (0.4)             |
| Momart**   | (0.2)             | (0.5)             |
| <b>Total underlying pre-tax profit / (loss)*</b> | <b>0.4</b>        | (0.1)             |
| Non-trading items (see note 3)                   | -                 | (0.1)             |
| <b>Reported profit / (loss) before tax</b>       | <b>0.4</b>        | (0.2)             |
| <b>Diluted earnings per share in pence</b>       | <b>(1.3p)</b>     | (1.5p)            |

\* Underlying pre-tax profit is defined as, profit before tax, before non-trading items.

\*\* As in prior years the profits reported for each operating company are stated after the allocation of head office management and plc costs which have been applied to each subsidiary on a consistent basis.

### Dividend

With the Group's recovery now well established and further improvement expected in the second half, the Board is pleased to announce the resumption of dividends with the payment of an interim dividend of 1.0 pence per share.

## Group Operating Company Performance

### Falkland Islands Company

Trading in FIC was once again encouraging with an overall 2.1% growth in revenue to £9.9 million (2020: £9.7 million) helped by the absence of the initial lockdown restrictions which impacted trading in April / May 2020 and by a strong illex squid catch in April / May 2021. Overheads were increased to further strengthen the Stanley-based team and to secure a platform for delivering longer term growth and these increased costs resulted in a small reduction in FIC's overall pre-tax contribution compared to the prior year.

FIC saw revenue growth in Retail whilst 4x4 maintained sales at their previous healthy levels. At Falkland Building Services ("FBS"), revenue dipped following the successful completion of work on the Falkland Islands Government ("FIG") housing contract for 26 homes started in November 2019. Despite this temporary slow-down, the department was successful in securing additional work from FIG during the period which will underpin FBS's continuing development.

Revenue from Other Services increased by £0.3 million as Fishing Agency revenues were buoyed by the strong illex squid catch. Income from FIC's portfolio of 80 residential properties was unchanged at £0.4 million.

| <b>FIC Operating Results</b><br>Six Months Ended 30 September | <b>2021</b><br><b>£ million</b> | 2020<br>£ million | Change<br>% |
|---|---------------------------------|-------------------|-------------|
| <b>Revenue</b>  |                                 |                   |             |
| Retail  | <b>4.7</b>                      | 4.6               | 2.2         |
| FBS (construction)  | <b>1.8</b>                      | 2.0               | (10.0)      |
| Falklands 4x4   | <b>1.6</b>                      | 1.6               | -           |
| Other services  | <b>1.4</b>                      | 1.1               | 27.3        |
| Property rental   | <b>0.4</b>                      | 0.4               | -           |
| <b>Total revenue</b>  | <b>9.9</b>                      | 9.7               | 2.1         |
| <b>Underlying operating profit</b>                            | <b>0.6</b>                      | 0.9               | (33.3)      |
| Finance expense   | -                               | (0.1)             | 100.0       |
| <b>Underlying profit before tax</b>                           | <b>0.6</b>                      | 0.8               | (25.0)      |

With some pressure from increased costs, FIC saw a small reduction in operating profit but in overall terms still produced a solid trading performance in the traditionally quiet austral winter. On a positive note, FIC's success in winning competitive tenders for important government housing and infrastructure works points to the growth potential in the coming years working on similar vital infrastructure projects for both FIG and the UK Ministry of Defence.

Looking ahead, in the near term, FIG remains cautious in its approach to reopening borders and commercial flights to the Islands via South America are unlikely to resume until well into 2022. Cruise ship visits will be similarly curtailed and no visits from the major cruise operators are expected until October 2022, when it is hoped the Islands will see the return to something close to pre-pandemic levels of tourism. In the short term, as with 2020, the seasonal summer uplift to the Falkland Islands' economy and to FIC's trading activities will be once again dampened by an absence of tourists, although the significant long-term potential of this sector of the economy remains undimmed.

With respect to the potential development of oil in the Falkland Islands, the announcement on 23 September 2021 by Harbour Energy, the principal licence holder in Sea Lion, that it was seeking to exit from the project was disappointing, although with the price of Brent Crude having since risen to over \$80/barrel it is hoped that other oil companies may yet show an interest in taking the project forward. Whilst such developments would be positive for both the Falkland Islands and FIC, the future success and growth of FIC does not depend on the development of oil. The Board is confident that significant potential exists for FIC by building on its success in construction, infrastructure, specialist local services and tourism.

### Portsmouth Harbour Ferry Company

After enduring a second dramatic fall in ferry passenger volumes in the first quarter of 2021, it was pleasing to see a slow but steady recovery in numbers using the Gosport Ferry as COVID-19 lockdown restrictions were gradually lifted in the first months of the new financial year. With the reopening of non-essential retail shops in mid-April, passenger volumes lifted to 45% of pre-COVID levels and by late July, with the ending of all formal restrictions in England, ferry volumes had recovered to 64% of 2019 levels. Since then, customer confidence has continued to improve and by

September 2021 passenger numbers had returned to 80% of pre-COVID volumes, and the business has made a welcome return to profitability.

Although a complete return to pre-COVID levels of passenger activity seems uncertain given the continued level of hybrid working, the Portsmouth Harbour Ferry Company (“PHFC”) has acted to counteract the effects of lost revenue by restructuring the service; reducing the workforce by 25% to deliver annual cost savings of over £0.3 million.

The rise in the numbers of COVID cases across the UK over the mid-summer period as government restrictions came to an end, did however mean that for a second summer, the ferry company was unable to operate its popular programme of leisure cruises around Portsmouth Harbour and the Solent.

Working closely with local Councils and supported by First Bus, in late June PHFC launched a “Park & Float” scheme offering a combined parking and ferry fare to provide potential passengers not living within walking distance of the ferry terminal, a convenient alternative to driving around the harbour to Portsmouth. However, with the resumption of Portsmouth Council’s own subsidised Park & Ride scheme on the outskirts of the city, to date customer uptake of “Park & Float” has been lower than hoped.

PHFC’s revenue for the six months to 30 September 2021 of £1.5 million, was almost double the £0.8 million seen in the first half of the prior year but as passenger numbers are still recovering, it remained some £0.8 million below the pre-COVID levels of revenue seen in the period to 30 September 2019 when PHFC achieved sales revenue of £2.3 million.

| <b>PHFC Operating Results</b><br>Six Months Ended 30 September | <b>2021</b><br><b>£ million</b> | 2020<br>£ million | Change<br>% |
|--|---------------------------------|-------------------|-------------|
| <b>Revenue</b>   |                                 |                   |             |
| Ferry fares  | <b>1.5</b>                      | 0.8               | 87.5        |
| Cruising and other income                                      | -                               | -                 | -           |
| <b>Total revenue</b>   | <b>1.5</b>                      | 0.8               | 87.5        |
| <b>Underlying operating profit / (loss)</b>                    | <b>0.1</b>                      | (0.3)             | 133.3       |
| Finance expense  | <b>(0.1)</b>                    | (0.1)             | -           |
| <b>Underlying profit / (loss) before tax</b>                   | <b>-</b>                        | (0.4)             | 100.0       |

Despite a reduction in the level of support from the UK Government’s furlough scheme in the current period, PHFC’s cost saving programme and the slow but steady improvement in passenger volumes saw profitability improve by £0.4 million leading to a small operating profit (after the allocation of head office costs) and a break-even result at the pre-tax level.

## **Momart**

After a virtual cessation of UK and international art movements in the first half of last year, Momart saw something of a recovery in the second half of FY 2020-21 as revenues increased from £3.9 million to over £6.4 million in the 6 months to 31 March 2021. However, as the new financial year started, UK museums remained closed and restrictions on movement in both the UK and internationally meant that collectors and commercial galleries were cautious in committing to any significant expansion.

On a positive note, activity with auction houses showed continued improvement as the large international houses adapted well to online selling. In addition, the significant reduction in Momart’s headcount undertaken in late 2020 reduced the company’s fixed costs which mitigated the impact of the sluggish recovery in the global art market.

Momart’s art storage revenues were once again robust, although lockdown restrictions meant that in practice, it was almost impossible to replace storage business lost through scheduled returns to temporary storage clients but despite this, total revenues were broadly unchanged at £1.2 million.

By July, most UK museums had cautiously reopened but with precautionary limits set and virtually no overseas tourists in London over the summer, museum visitor numbers were limited to well below normal levels, constraining ticket sales and forcing museum managers to delay planned exhibitions and scale back activity for the remainder of 2021.

The commercial art market was more buoyant but with the decision to postpone Europe’s largest art fair, Art Basel until late September, the market remained well below pre-COVID levels, albeit activity across the commercial market

recovered markedly in the last weeks of the period and further improvement was evident with the re-opening of Frieze London in early October after a hiatus of two years.

Exhibitions revenues at £2.4 million improved markedly on the disastrous levels seen in the first half of last year of £1.3 million but still lagged behind the £3.2 million delivered in H2. In contrast, more consistent progress was seen in the commercial market; Gallery Services revenues at £2.3 million were well ahead of the £1.4 million seen in H1 2020 and 15% ahead of the £2.0 million of revenue generated in the second half of that year. The continued absence of major art fairs until late summer 2021 restricted recovery and there was little in the way of new, large exhibitions from cash constrained museums. Hence, although first half revenue improved upon that seen in the first half of last year, reflecting both continuing lockdown effects and normal seasonality, Momart's overall revenues in H1 fell back below the level seen in the second half last year from £6.4 million to £5.9 million.

| <b>Momart Operating Results</b><br>Six Months Ended 30 September | <b>2021</b><br>£ million | 2020<br>£ million | Change<br>% |
|--|--------------------------|-------------------|-------------|
| <b>Revenue</b>   |                          |                   |             |
| Museum Exhibitions   | <b>2.4</b>               | 1.3               | 84.6        |
| Gallery Services   | <b>2.3</b>               | 1.4               | 64.3        |
| Storage  | <b>1.2</b>               | 1.2               | -           |
| <b>Total revenue</b>   | <b>5.9</b>               | 3.9               | <b>51.3</b> |
| <b>Underlying operating profit / (loss)</b>                      | -                        | (0.3)             | 100.0       |
| Finance expense  | <b>(0.2)</b>             | (0.2)             | -           |
| <b>Underlying loss before tax</b>                                | <b>(0.2)</b>             | (0.5)             | 60.0        |

With a welcome recovery in revenue and benefitting from a lower cost base, after a slow start in the early months of the period, Momart was able to improve profitability by £0.3 million and achieve a breakeven position at the operating level. At the pre-tax level after mortgage interest costs, losses of £0.5 million in the prior period were reduced to £0.2 million.

Looking ahead, Exhibitions' activity is expected to slowly improve although continuing pressure on museum visitor numbers means recovery is expected to be gradual until well into 2022. In contrast, in the commercial art market as confidence grows and international air travel increases, we expect to see a return to something close to pre-COVID art fair openings in the remainder of 2021 and, provided the global economy remains robust, further increases in activity by auction houses and by private collectors.

## Trading Outlook

The current financial year has reflected a slow but steady trend towards a return to pre-COVID levels of activity and we expect the progress demonstrated in the Group's first half results to continue as we move into the traditionally stronger second half.

In the Falkland Islands, FIC has demonstrated a robust commercial strength and has built solid foundations to continue the expansion of its construction and infrastructure arms as well as its core specialist services. Although the current financial year will not benefit from any substantial tourist income, the fundamental strength of the Falkland Islands' economy and FIC's place within it provide solid platform for continued growth which will only improve when tourism resumes in the austral spring of 2022.

In the UK, provided there are no unexpected setbacks in relation to the virus, given the progress made to date since April 2021, we expect to see a further strengthening in the trading performance of both Momart and PHFC in the second half, although neither are expected to return to pre-COVID levels of activity until well into 2022.

Moving beyond the current year we will continue to invest in both Momart and FIC to help unlock their undoubted potential for further growth and in addition, following the recent hiring of Stuart Munro as Group CFO, we will continue to search for strategic earnings enhancing acquisitions to increase the scale and investor appeal of the Group.

**John Foster**  
Chief Executive  
10 November 2021

## Chief Financial Officer's Review

### Financial Review

#### Revenue

Group revenue increased by £2.9 million (20.1%) to £17.3 million (2020: £14.4 million) due principally to improvements in Momart and PHFC of £2.0 million and £0.7m respectively, following the easing of UK COVID-19 lockdown restrictions, together with a £0.2 million increase in FIC.

#### Underlying Operating Profit

Underlying operating profit before non-trading items and net finance costs increased to £0.8 million (2020: £0.3 million) reflecting the revenue improvements noted above, the impact of actions taken to reduce cost in the year ended 31 March 2021 and the receipt of £0.3 million of COVID-19 Government funding (2020: £1.4 million).

#### Net Financing Costs

The Group's net financing costs remained broadly flat at £0.4 million (2020: £0.5 million). Two UK Government-backed CBILS loans totalling £5.0 million were drawn down in June 2020 and repaid in June 2021 but as the first 12 months of interest payments were covered by the UK Government, these loans had no impact on net financing costs.

#### Reported Pre-tax Profit

The reported pre-tax result for the six months ended 30 September 21 was a profit of £0.4 million (2020: £0.2 million loss). The result for the six months ended 30 September 2020 included restructuring costs of £0.1m and the Group's underlying profit before tax before non-trading items was £0.4 million (2020: £0.1 million loss).

#### Taxation

The taxation charge on the current period result of £0.1 million (2020: £0.1 million credit) has been estimated on the basis of 19% and 26% of profits arising in the UK and the Falkland Islands respectively (2020: based on a blended rate of 23.0%). In addition, an increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This has increased the deferred tax liability of the Group and the tax charge for the period by an estimated £0.4 million, resulting in an overall tax charge of £0.5 million (2020: £0.1 million credit).

#### Earnings per Share

Diluted Earnings per Share ("EPS") derived from reported losses was -1.3 pence (2020: -1.5 pence) and diluted EPS derived from underlying losses was -1.0 pence (2020: -0.9 pence).

#### Balance Sheet and Cash Flow

The Group's balance sheet remained strong with total net assets of £38.7 million broadly in line with the balances at 31 March 2021 and 30 September 2020 of £38.9 million and £38.6 million respectively.

##### *Net Debt*

|   | 30 September<br>2021<br>£m | 31 March<br>2021<br>£m | Change<br>£m |
|---|----------------------------|------------------------|--------------|
| Bank loans                                  | (14.7)                     | (20.1)                 | 5.4          |
| Cash and cash equivalents                   | 8.0                        | 14.6                   | (6.6)        |
| Bank loans net of cash and cash equivalents | (6.7)                      | (5.5)                  | (1.2)        |
| Lease liabilities                           | (7.8)                      | (8.1)                  | 0.3          |
| Net debt                                    | (14.5)                     | (13.6)                 | (0.9)        |

Bank loans reduced to £14.7 million (31 March 2021: £20.1 million) following the repayment of £5.0 million CBILS loans in June 2021 and scheduled loan repayments of £0.4 million. £12.9 million of the balance was in respect of the long-term mortgage secured on the Group's freehold premises in Leyton (31 March 2021: £13.2 million).

The Group's cash balances reduced to £8.0 million (31 March 2021: £14.6 million), reflecting the loan payments totalling £5.4 million noted above and a reduction in the underlying cash balance of £1.2 million.



The reduction in underlying cash was due mainly to capital expenditure of £1.1 million (£0.8 million on investment property and £0.3 million on property, plant and equipment both largely in FIC) and interest and lease liability repayments of £0.4 million and £0.3 million respectively, which were partly offset by a £0.7 million net cash inflow from operating activities. The latter included a £1.2 million increase in working capital which largely arose in FIC, where circa £1.0 million was due to an increase in inventory (predominantly a £0.8m increase in housebuilding stocks and work in progress) and £0.2 million was due to increases in trade and other receivables.

The Group's outstanding lease liabilities totalled £7.8 million (31 March 2021: £8.1 million) with £5.7 million of the balance (31 March 2021: £5.7 million) relating to the leases from Gosport Borough Council to PHFC for the Gosport Pontoon and associated ground rent, which run until June 2061.

Overall, net debt increased to £14.5 million (31 March 2021: £13.6 million).

**Stuart Munro**  
Chief Financial Officer  
10 November 2021

**Consolidated Income Statement  
For the Six Months Ended 30 September 2021**

| <i>Notes</i>   | <b>Unaudited<br/>Six Months to<br/>30 September<br/>2021<br/>£'000</b> | Unaudited<br>Six Months to<br>30 September<br>2020<br>£'000 | Audited<br>Year Ended<br>31 March<br>2021<br>£'000 |
|--|--|---|--|
| <b>2 Revenue</b>   | <b>17,267</b>  | 14,384  | 32,578   |
| Cost of sales  | <b>(10,064)</b>  | (9,212)   | (19,437)   |
| <b>Gross profit</b>  | <b>7,203</b>   | 5,172   | 13,141   |
| Other administrative expenses  | <b>(6,454)</b>   | (4,958)   | (12,307)   |
| Consumer finance interest income   | <b>79</b>  | 113   | 192  |
| Operating expenses   | <b>(6,375)</b>   | (4,845)   | (12,115)   |
| <b>Operating profit before non-trading items</b>                         | <b>828</b>   | 327   | 1,026  |
| <b>3 Non-trading items</b>   | <b>(44)</b>  | (102)   | 57   |
| <b>Operating profit</b>  | <b>784</b>   | 225   | 1,083  |
| <b>4 Finance expense</b>   | <b>(421)</b>   | (472)   | (881)  |
| <b>Profit / (loss) before tax</b>  | <b>363</b>   | (247)   | 202  |
| <b>5 Taxation</b>  | <b>(523)</b>   | 57  | (193)  |
| <b>(Loss) / profit attributable to equity holders<br/>of the Company</b> | <b>(160)</b>   | (190)   | 9  |
| <b>6 Earnings per share</b>  |  |   |  |
| Basic  | <b>(1.3p)</b>  | (1.5p)  | 0.1p   |
| Diluted  | <b>(1.3p)</b>  | (1.5p)  | 0.1p   |

See note 6 for an analysis of earnings per share on underlying profit (defined as profit after tax before non-trading items).

**Consolidated Balance Sheet**  
**At 30 September 2021**

| <i>Notes</i>                            | <b>Unaudited<br/>30 September<br/>2021<br/>£'000</b> | Unaudited<br>30 September<br>2020<br>£'000 | Audited<br>31 March<br>2021<br>£'000 |
|---|--|--|--------------------------------------|
| <b>Non-current assets</b>               |  |  |                                      |
| Intangible assets                       | 4,167  | 4,212                                      | 4,183                                |
| Property, plant and equipment           | 39,552   | 40,940                                     | 40,361                               |
| Investment properties                   | 7,794  | 6,691                                      | 7,123                                |
| Investment in joint venture             | 259  | 259  | 259                                  |
| Debtors due in more than one year       | 88   | 88   | 88                                   |
| Hire purchase debtors                   | 605  | 527  | 590                                  |
| Deferred tax assets                     | 739  | 651  | 739                                  |
| <b>Total non-current assets</b>         | <b>53,204</b>  | <b>53,368</b>                              | <b>53,343</b>                        |
| <b>Current assets</b>                   |  |  |                                      |
| Inventories                             | 6,878  | 6,333                                      | 5,871                                |
| Trade and other receivables             | 6,114  | 4,635                                      | 5,868                                |
| Hire purchase debtors                   | 647  | 589  | 558                                  |
| 8 Cash and cash equivalents             | 7,976  | 14,367                                     | 14,556                               |
| <b>Total current assets</b>             | <b>21,615</b>  | <b>25,924</b>                              | <b>26,853</b>                        |
| <b>Total assets</b>                     | <b>74,819</b>  | <b>79,292</b>                              | <b>80,196</b>                        |
| <b>Current liabilities</b>              |  |  |                                      |
| Trade and other payables                | (6,777)  | (6,082)                                    | (6,775)                              |
| 9 Interest bearing loans and borrowings | (1,403)  | (1,468)                                    | (3,424)                              |
| Derivative financial instruments        | -  | (537)                                      | -                                    |
| Corporation tax payable                 | (237)  | (112)                                      | (113)                                |
| <b>Total current liabilities</b>        | <b>(8,417)</b>                                       | <b>(8,199)</b>                             | <b>(10,312)</b>                      |
| <b>Non-current liabilities</b>          |  |  |                                      |
| 9 Interest bearing loans and borrowings | (21,046)   | (27,037)                                   | (24,799)                             |
| Derivative financial instruments        | (234)  | -  | (234)                                |
| Deferred tax liabilities                | (3,559)  | (2,849)                                    | (3,113)                              |
| Employee benefits                       | (2,828)  | (2,615)                                    | (2,842)                              |
| <b>Total non-current liabilities</b>    | <b>(27,667)</b>                                      | <b>(32,501)</b>                            | <b>(30,988)</b>                      |
| <b>Total liabilities</b>                | <b>(36,084)</b>                                      | <b>(40,700)</b>                            | <b>(41,300)</b>                      |
| <b>Net assets</b>                       | <b>38,735</b>  | <b>38,592</b>                              | <b>38,896</b>                        |
| <b>Capital and reserves</b>             |  |  |                                      |
| Equity share capital                    | 1,251  | 1,250                                      | 1,251                                |
| Share premium account                   | 17,590   | 17,590                                     | 17,590                               |
| Other reserves                          | 703  | 703  | 703                                  |
| Retained earnings                       | 19,423   | 19,584                                     | 19,584                               |
| Hedging reserve                         | (232)  | (535)                                      | (232)                                |
| <b>Total equity</b>                     | <b>38,735</b>  | <b>38,592</b>                              | <b>38,896</b>                        |

**Consolidated Cash Flow Statement**  
**For the Six Months Ended 30 September 2021**

| <i>Notes</i>  | <b>Unaudited<br/>Six Months to<br/>30 September<br/>2021<br/>£'000</b> | Unaudited<br>Six Months to<br>30 September<br>2020<br>£'000 | Audited<br>Year Ended<br>31 March<br>2021<br>£'000 |
|---|--|---|--|
| <b>Cash flows from operating activities</b>                   |  |   |  |
| (Loss) / profit for the period after taxation                 | (160)  | (190)   | 9  |
| <i>Adjusted for:</i>  |  |   |  |
| <i>(i) Non-cash items:</i>                                    |  |   |  |
| Amortisation  | 16   | 34  | 63   |
| Depreciation: Property, plant and equipment                   | 1,101  | 1,063   | 2,193  |
| Depreciation: Investment properties                           | 98   | 78  | 37   |
| Loss on disposal of fixed assets                              | -  | 60  | 53   |
| Interest cost on pension scheme liabilities                   | 35   | 60  | 64   |
| Equity-settled share-based payment expenses                   | 10   | 22  | 1  |
| <i>Non-cash items adjustment</i>                              | <b>1,260</b>   | <b>1,317</b>  | <b>2,411</b>                                       |
| <i>(ii) Other items:</i>                                      |  |   |  |
| Exchange losses   | -  | -   | 3  |
| Bank interest payable   | 217  | 263   | 469  |
| Lease liability finance expense                               | 169  | 160   | 348  |
| Increase in hire purchase leases receivable                   | (104)  | (1)   | (33)   |
| Corporation and deferred tax expense/(income)                 | 523  | (57)  | 193  |
| <i>Other adjustments</i>                                      | <b>805</b>   | <b>365</b>  | <b>980</b>   |
| <b>Operating cash flow before changes in working capital</b>  | <b>1,905</b>   | <b>1,492</b>  | <b>3,400</b>                                       |
| (Increase) / decrease in trade and other receivables          | (246)  | 4,061   | 2,828  |
| Increase in inventories                                       | (963)  | (959)   | (497)  |
| Increase / (decrease) in trade and other payables             | 2  | (2,529)   | (1,836)  |
| Changes in working capital                                    | <b>(1,207)</b>   | <b>573</b>  | <b>495</b>   |
| <b>Cash generated from operations</b>                         | <b>698</b>   | <b>2,065</b>  | <b>3,895</b>                                       |
| Payments to pensioners  | (49)   | (49)  | (98)   |
| Corporation taxes received / (paid)                           | 47   | (64)  | (64)   |
| <b>Net cash flow from operating activities</b>                | <b>696</b>   | <b>1,952</b>  | <b>3,733</b>                                       |
| <b>Cash flows from investing activities</b>                   |  |   |  |
| Purchase of property, plant and equipment                     | (336)  | (362)   | (898)  |
| Purchase of investment properties                             | (769)  | (300)   | (702)  |
| <b>Net cash flow from investing activities</b>                | <b>(1,105)</b>   | <b>(662)</b>  | <b>(1,600)</b>                                     |
| <b>Cash flows from financing activities</b>                   |  |   |  |
| Bank loan drawn down  | -  | 5,000   | 5,000  |
| Repayment of bank loans                                       | (5,468)  | (148)   | (624)  |
| Bank interest paid  | (217)  | (252)   | (469)  |
| Hire purchase loan draw down                                  | -  | -   | 389  |
| Repayment of lease liabilities principal                      | (306)  | (439)   | (649)  |
| Lease liabilities interest paid                               | (169)  | (160)   | (348)  |
| Cash inflow on option exercises                               | -  | -   | 19   |
| Cash outflow on nil cost option exercise                      | (11)   | (32)  | -  |
| <b>Net cash flow from financing activities</b>                | <b>(6,171)</b>   | <b>3,969</b>  | <b>3,318</b>                                       |
| <b>Net (decrease) / increase in cash and cash equivalents</b> | <b>(6,580)</b>   | <b>5,259</b>  | <b>5,451</b>                                       |
| Cash and cash equivalents at start of year                    | <b>14,556</b>  | <b>9,108</b>  | <b>9,108</b>                                       |
| Exchange losses on cash balances                              | -  | -   | (3)  |
| <b>Cash and cash equivalents at end of year</b>               | <b>7,976</b>   | <b>14,367</b>   | <b>14,556</b>                                      |

**Consolidated Statement of Comprehensive Income  
For the Six Months Ended 30 September 2021**

|   | <b>Unaudited<br/>Six Months to<br/>30 September<br/>2021<br/>£'000</b> | <b>Unaudited<br/>Six Months to<br/>30 September<br/>2020<br/>£'000</b> | <b>Audited<br/>Year Ended<br/>31 March<br/>2021<br/>£'000</b> |
|---|--|--|---|
| <b>(Loss) / profit for the period</b>                                       | <b>(160)</b>   | <b>(190)</b>   | <b>9</b>  |
| Cash flow hedges - effective portion of changes in fair value               | -  | -  | 303   |
| Deferred tax on other financial liabilities                                 | -  | -  | 30  |
| Deferred tax on effective portion of changes in fair value                  | -  | -  | (58)  |
| <b>Items that are or may be reclassified subsequently to profit or loss</b> | <b>-</b>   | <b>-</b>   | <b>275</b>  |
| Re-measurement of the FIC defined benefit pension scheme                    | -  | -  | (272)   |
| Movement on deferred tax asset relating to the pension scheme               | -  | -  | 71  |
| <b>Items which will not ultimately be recycled to the income statement</b>  | <b>-</b>   | <b>-</b>   | <b>(201)</b>  |
| <b>Total other comprehensive income</b>                                     | <b>-</b>   | <b>-</b>   | <b>74</b>   |
| <b>Total comprehensive (loss) / income</b>                                  | <b>(160)</b>   | <b>(190)</b>   | <b>83</b>   |

**Condensed Consolidated Statement of Changes in Shareholders' Equity  
For the Six Months Ended 30 September 2021**

|   | <b>Unaudited<br/>Six Months to<br/>30 September<br/>2021<br/>£'000</b> | <b>Unaudited<br/>Six Months to<br/>30 September<br/>2020<br/>£'000</b> | <b>Audited<br/>Year Ended<br/>31 March<br/>2021<br/>£'000</b> |
|---|--|--|---|
| Shareholders' funds at beginning of period                          | <b>38,896</b>  | 38,792   | 38,792  |
| (Loss) / profit for the period                                      | <b>(160)</b>   | (190)  | 9   |
| Cash flow hedges - effective portion of changes in fair value       | -  | -  | 303   |
| Deferred tax on effective portion of changes in fair value          | -  | -  | (58)  |
| Deferred tax on other financial liabilities                         | -  | -  | 30  |
| Re-measurement of the defined benefit pension liability, net of tax | -  | -  | (201)   |
| <b>Total comprehensive (loss) / income</b>                          | <b>(160)</b>   | (190)  | 83  |
| Transactions with owners in their capacity as owners:               |  |  |   |
| Share-based payments  | <b>10</b>  | 22   | 1   |
| Share option exercise   | <b>(11)</b>  | (32)   | 20  |
| <b>Transactions with owners</b>                                     | <b>(1)</b>   | (10)   | 21  |
| <b>Shareholders' funds at end of period</b>                         | <b>38,735</b>  | 38,592   | 38,896  |

## Notes to the Unaudited Interim Statements

### 1. Basis of Preparation

This interim financial statement comprises the condensed consolidated balance sheets at 30 September 2021, 30 September 2020 and 31 March 2021 and condensed consolidated statements of income, comprehensive income, cash flows and changes in shareholders' equity for the periods then ended and related notes of FIH group plc (hereinafter 'the interim financial information').

In adopting the going concern basis of preparation in the interim financial statements, the directors have considered the current trading performance of the Group, and the principal risks and uncertainties it faces. This includes the modelling of "severe but plausible" downside scenarios including longer term changes brought about by COVID-19 in the key markets of group companies, in addition to a cautious scenario for the more near-term impact of COVID-19.

The directors believe that the Group is well placed to manage the risks and uncertainties it faces. As such, the directors have a reasonable expectation that the Group will have adequate financial resources to continue in operational existence and have, therefore, considered it appropriate to adopt the going concern basis of preparation in the interim financial statements.

The interim financial information has been prepared in accordance with the accounting policies set out in the Group's 2021 annual financial statements. As permitted, these interim financial statements have been prepared in accordance with AIM rules and not in accordance with IAS34 'Interim Financial Reporting'.

#### *Section 245 Statement*

The comparative figures for the financial year ended 31 March 2021 are not the Company's full statutory accounts for that financial year. Those accounts have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditor was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498 (2) or 498 (3) of the Companies Act 2006.

## 2. Segmental Revenue and Profit Analysis

Unaudited - Six Months Ended 30 September 2021

|  | General<br>Trading<br>(Falkland<br>Islands)<br>£'000 | Ferry<br>Services<br>(Portsmouth)<br>£'000 | Art Logistics<br>and Storage<br>(UK)<br>£'000 | Unallocated<br>£'000 | Total<br>£'000 |
|--|--|--|---|----------------------|----------------|
| <b>Revenue</b>   | <b>9,895</b>   | <b>1,496</b>                               | <b>5,876</b>                                  | -                    | <b>17,267</b>  |
| <b>Segment operating profit before non-trading items</b> | 651  | 123  | 54  | -                    | 828            |
| Non-trading items  | -  | -  | (44)  | -                    | (44)           |
| Segment operating profit before net financing costs      | 651  | 123  | 10  | -                    | 784            |
| Finance expense  | (35)   | (152)                                      | (234)   | -                    | (421)          |
| <b>Segment profit / (loss) before tax</b>                | <b>616</b>   | <b>(29)</b>                                | <b>(224)</b>                                  | -                    | <b>363</b>     |
| <b>Assets and liabilities</b>                            |  |  |   |                      |                |
| Segment assets   | 30,474   | 10,644                                     | 25,642  | 8,059                | 74,819         |
| Segment liabilities                                      | (8,334)  | (8,518)                                    | (17,475)                                      | (1,757)              | (36,084)       |
| <b>Segment net assets</b>                                | <b>22,140</b>  | <b>2,126</b>                               | <b>8,167</b>                                  | <b>6,302</b>         | <b>38,735</b>  |
| <b>Other segment information</b>                         |  |  |   |                      |                |
| <i>Capital expenditure:</i>                              |  |  |   |                      |                |
| Property, plant and equipment                            | 264  | 38   | 34  | -                    | 336            |
| Investment properties                                    | 769  | -  | -   | -                    | 769            |
| <b>Total capital expenditure</b>                         | <b>1,033</b>   | <b>38</b>                                  | <b>34</b>                                     | -                    | <b>1,105</b>   |
| Capital expenditure: cash                                | 1,033  | 38   | 34  | -                    | 1,105          |
| Capital expenditure: non-cash                            | -  | -  | -   | -                    | -              |
| <b>Total capital expenditure</b>                         | <b>1,033</b>   | <b>38</b>                                  | <b>34</b>                                     | -                    | <b>1,105</b>   |
| <i>Depreciation and amortisation:</i>                    |  |  |   |                      |                |
| Property, plant and equipment                            | 407  | 224  | 470   | -                    | 1,101          |
| Investment properties                                    | 98   | -  | -   | -                    | 98             |
| Computer software  | -  | -  | 16  | -                    | 16             |
| <b>Total depreciation and amortisation</b>               | <b>505</b>   | <b>224</b>                                 | <b>486</b>                                    | -                    | <b>1,215</b>   |
| <b>Underlying profit/(loss)</b>                          |  |  |   |                      |                |
| Segment operating profit before non-trading items        | 651  | 123  | 54  | -                    | 828            |
| Finance expense  | (35)   | (152)                                      | (234)   | -                    | (421)          |
| <b>Underlying profit / (loss) before tax</b>             | <b>616</b>   | <b>(29)</b>                                | <b>(180)</b>                                  | -                    | <b>407</b>     |

## 2. Segmental Revenue and Profit Analysis (Continued)

Unaudited - Six Months Ended 30 September 2020

|   | General<br>Trading<br>(Falkland<br>Islands)<br>£'000 | Ferry<br>Services<br>(Portsmouth)<br>£'000 | Art Logistics<br>and Storage<br>(UK)<br>£'000 | Unallocated<br>£'000 | Total<br>£'000 |
|---|--|--|---|----------------------|----------------|
| <b>Revenue</b>  | <b>9,735</b>   | <b>800</b>                                 | <b>3,849</b>                                  | -                    | <b>14,384</b>  |
| <b>Segment operating profit / (loss)<br/>before non-trading items</b> | 867  | (267)                                      | (273)   | -                    | 327            |
| Non-trading items   | -  | -  | -   | (102)                | (102)          |
| Segment operating profit / (loss)<br>before net financing costs       | 867  | (267)                                      | (273)   | (102)                | 225            |
| Finance expense   | (62)   | (168)                                      | (242)   | -                    | (472)          |
| <b>Segment profit / (loss) before tax</b>                             | <b>805</b>   | <b>(435)</b>                               | <b>(515)</b>                                  | <b>(102)</b>         | <b>(247)</b>   |
| <b>Assets and liabilities</b>   |  |  |   |                      |                |
| Segment assets  | 33,000   | 10,922                                     | 30,319  | 5,051                | 79,292         |
| Segment liabilities   | (7,584)  | (8,939)                                    | (18,528)                                      | (5,649)              | (40,700)       |
| <b>Segment net assets / (liabilities)</b>                             | <b>25,416</b>  | <b>1,983</b>                               | <b>11,791</b>                                 | <b>(598)</b>         | <b>38,592</b>  |
| <b>Other segment information</b>                                      |  |  |   |                      |                |
| <i>Capital expenditure:</i>   |  |  |   |                      |                |
| Property, plant and equipment   | 362  | -  | -   | -                    | 362            |
| Investment properties   | 300  | -  | -   | -                    | 300            |
| <b>Total capital expenditure</b>                                      | <b>662</b>   | -  | -   | -                    | <b>662</b>     |
| Capital expenditure: cash   | 662  | -  | -   | -                    | 662            |
| Capital expenditure: non-cash   | -  | -  | -   | -                    | -              |
| <b>Total capital expenditure</b>                                      | <b>662</b>   | -  | -   | -                    | <b>662</b>     |
| <i>Depreciation and amortisation:</i>                                 |  |  |   |                      |                |
| Property, plant and equipment   | 381  | 226  | 456   | -                    | 1,063          |
| Investment properties   | 78   | -  | -   | -                    | 78             |
| Computer software   | -  | -  | 34  | -                    | 34             |
| <b>Total depreciation and<br/>amortisation</b>                        | <b>459</b>   | <b>226</b>                                 | <b>490</b>                                    | -                    | <b>1,175</b>   |
| <b>Underlying profit/(loss)</b>                                       |  |  |   |                      |                |
| Segment operating profit / (loss)<br>before non-trading items         | 867  | (267)                                      | (273)   | -                    | 327            |
| Finance expense   | (62)   | (168)                                      | (242)   | -                    | (472)          |
| <b>Underlying profit / (loss)<br/>before tax</b>                      | <b>805</b>   | <b>(435)</b>                               | <b>(515)</b>                                  | -                    | <b>(145)</b>   |



## 2. Segmental Revenue and Profit Analysis (Continued)

Year Ended 31 March 2021

|   | General<br>Trading<br>(Falkland<br>Islands)<br>£'000 | Ferry<br>Services<br>(Portsmouth)<br>£'000 | Art Logistics<br>and Storage<br>(UK)<br>£'000 | Unallocated<br>£'000 | Total<br>£'000 |
|---|--|--|---|----------------------|----------------|
| <b>Revenue</b>  | <b>20,874</b>  | <b>1,445</b>                               | <b>10,259</b>                                 | <b>-</b>             | <b>32,578</b>  |
| <b>Segment operating profit / (loss)<br/>before non-trading items</b>   | 1,852  | (856)                                      | 30  | -                    | 1,026          |
| Non-trading items   | 500  | (140)                                      | (221)   | (82)                 | 57             |
| <b>Segment operating profit / (loss)<br/>before net financing costs</b> | 2,352  | (996)                                      | (191)   | (82)                 | 1,083          |
| Finance expense   | (68)   | (329)                                      | (484)   | -                    | (881)          |
| <b>Segment profit / (loss) before tax</b>                               | <b>2,284</b>   | <b>(1,325)</b>                             | <b>(675)</b>                                  | <b>(82)</b>          | <b>202</b>     |
| <b>Assets and liabilities</b>   |  |  |   |                      |                |
| Segment assets  | 29,498   | 11,411                                     | 33,648  | 5,639                | 80,196         |
| Segment liabilities   | (8,687)  | (10,266)                                   | (22,062)                                      | (285)                | (41,300)       |
| <b>Segment net assets</b>   | <b>20,811</b>  | <b>1,145</b>                               | <b>11,586</b>                                 | <b>5,354</b>         | <b>38,896</b>  |
| <b>Other segment information</b>  |  |  |   |                      |                |
| <i>Capital expenditure:</i>   |  |  |   |                      |                |
| Property, plant and equipment   | 358  | -  | 540   | -                    | 898            |
| Investment properties   | 702  | -  | -   | -                    | 702            |
| <b>Total capital expenditure</b>  | <b>1,060</b>   | <b>-</b>                                   | <b>540</b>                                    | <b>-</b>             | <b>1,600</b>   |
| Capital expenditure: cash   | 1,060  | -  | 151   | -                    | 1,211          |
| Capital expenditure: non-cash   | -  | -  | 389   | -                    | 389            |
| <b>Total capital expenditure</b>  | <b>1,060</b>   | <b>-</b>                                   | <b>540</b>                                    | <b>-</b>             | <b>1,600</b>   |
| <i>Depreciation and amortisation:</i>                                   |  |  |   |                      |                |
| Property, plant and equipment   | 816  | 451  | 926   | -                    | 2,193          |
| Investment properties   | 37   | -  | -   | -                    | 37             |
| Computer software   | -  | -  | 63  | -                    | 63             |
| <b>Total depreciation and<br/>amortisation</b>                          | <b>853</b>   | <b>451</b>                                 | <b>989</b>                                    | <b>-</b>             | <b>2,293</b>   |
| <b>Underlying profit/(loss)</b>   |  |  |   |                      |                |
| Segment operating profit / (loss)<br>before non-trading items           | 1,852  | (856)                                      | 30  | -                    | 1,026          |
| Finance expense   | (68)   | (329)                                      | (484)   | -                    | (881)          |
| <b>Underlying profit / (loss)<br/>before tax</b>                        | <b>1,784</b>   | <b>(1,185)</b>                             | <b>(454)</b>                                  | <b>-</b>             | <b>145</b>     |

### 3. Non-trading Items

|   | Unaudited<br>Six Months to<br>30 September<br>2021<br>£'000 | Unaudited<br>Six Months to<br>30 September<br>2020*<br>£'000 | Audited<br>Year Ended<br>31 March<br>2021<br>£'000 |
|---|---|--|--|
| <b>Profit / (loss) before tax as reported</b> | <b>363</b>  | (247)  | 202  |
| Restructuring costs                           | 44  | 102  | 443  |
| Other credits                                 | -   | -  | (500)  |
| <b>Non-trading items</b>                      | <b>44</b>   | 102  | (57)   |
| <b>Underlying profit / (loss) before tax</b>  | <b>407</b>  | (145)  | 145  |

\* Restated to exclude restructuring costs from underlying loss before tax.

Restructuring costs comprise people related costs including redundancy. Other credits relate to derecognition of historic liabilities, which were previously included within accruals, on the basis that the amounts are no longer enforceable.

### 4. Finance Expense

|   | Unaudited<br>Six Months to<br>30 September<br>2021<br>£'000 | Unaudited<br>Six Months to<br>30 September<br>2020<br>£'000 | Audited<br>Year Ended<br>31 March<br>2021<br>£'000 |
|---|---|---|--|
| Interest payable on bank loans  | 217   | 252   | 469  |
| Net interest cost on the FIC defined benefit pension scheme liability | 35  | 60  | 64   |
| Lease liabilities finance charge                                      | 169   | 160   | 348  |
| <b>Total finance expense</b>  | <b>421</b>  | 472   | 881  |

### 5. Taxation

|  | Unaudited<br>Six Months to<br>30 September<br>2021<br>£'000 | Unaudited<br>Six Months to<br>30 September<br>2020<br>£'000 | Audited<br>Year Ended<br>31 March<br>2021<br>£'000 |
|--|---|---|--|
| Current tax charge / (credit)                  | 116   | (57)  | (52)   |
| Prior year research and development tax credit | (39)  | -   | -  |
| Deferred tax charge                            | 446   | -   | 245  |
| <b>Total tax expense / (credit)</b>            | <b>523</b>  | (57)  | 193  |

The current tax charge has been estimated on the basis of 19% and 26% of profits arising in the UK and the Falkland Islands respectively (September 2020: based on blended rate of 23.0%).

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the future tax charge for the Group and has increased the deferred tax liability of the Group and the tax charge for the six months ended 30 September 2021 by an estimated £446,000.

## 6. Earnings Per Share on Underlying Profit

To provide a comparison of earnings per share on underlying performance, the calculation below sets out basic and diluted earnings per share based on underlying profits.

|  | <b>Unaudited<br/>Six Months to<br/>30 September<br/>2021<br/>Number</b> | Unaudited<br>Six Months to<br>30 September<br>2020<br>Number | Audited<br>Year Ended<br>31 March<br>2021<br>Number |
|--|---|--|---|
| Weighted average number of shares in issue                                   | 12,517,241  | 12,509,543   | 12,470,827  |
| Less: shares held under the ESOP*  | -   | (1,633)  | -   |
| <b>Weighted average number of shares in issue excluding the ESOP* shares</b> | <b>12,517,241</b>   | <b>12,507,910</b>  | <b>12,470,827</b>                                   |
| Maximum dilution with regards to share options                               | 2,513   | 201,603  | 281,490   |
| <b>Diluted weighted average number of shares</b>                             | <b>12,519,754</b>   | <b>12,709,513</b>  | <b>12,752,317</b>                                   |

\* The ESOP was the Employee Share Ownership Plan, which was terminated on 9 August 2019.

|  | <b>Unaudited<br/>Six Months to<br/>30 September<br/>2021<br/>£'000</b> | Unaudited<br>Six Months to<br>30 September<br>2020*<br>£'000 | Audited<br>Year Ended<br>31 March<br>2021<br>£'000 |
|--|--|--|--|
| Underlying profit / (loss) before tax (note 3)       | 407  | (145)  | 145  |
| Underlying taxation                                  | (531)  | 38   | (147)  |
| <b>Underlying loss after tax</b>                     | <b>(124)</b>   | <b>(107)</b>   | <b>(2)</b>   |
| <b>Basic earnings per share on underlying loss</b>   | <b>(1.0p)</b>  | <b>(0.9p)</b>  | <b>0.0p</b>  |
| <b>Diluted earnings per share on underlying loss</b> | <b>(1.0p)</b>  | <b>(0.9p)</b>  | <b>0.0p</b>  |

\* Restated to exclude restructuring costs from underlying loss before tax.

## 7. Employee Benefits

The Company has elected to follow precedent and decided not to revalue its pension obligations at the half-year. The Group's pension obligation, the Falkland Islands Company Limited Pension Scheme, is unfunded and therefore not subject to valuation volatility as a result of stock market fluctuations.

## 8. Cash and Cash Equivalents

|   | <b>Unaudited<br/>30 September<br/>2021<br/>£'000</b> | Unaudited<br>30 September<br>2020<br>£'000 | Audited<br>31 March<br>2021<br>£'000 |
|---|--|--|--------------------------------------|
| <b>Cash and cash equivalents in the balance sheet</b> | <b>7,976</b>   | <b>14,367</b>                              | <b>14,556</b>                        |

## 8. Cash and Cash Equivalents (Continued)

|   | Unaudited<br>Six Months to<br>30 September<br>2021<br>£'000 | Unaudited<br>Six Months to<br>30 September<br>2020<br>£'000 | Audited<br>Year Ended<br>31 March<br>2021<br>£'000 |
|---|---|---|--|
| Net (decrease) / increase in cash and cash equivalents                      | (6,580)   | 5,259   | 5,451  |
| Exchange losses   | -   | -   | (3)  |
| Net (decrease) / increase in cash and cash equivalents after exchange gains | (6,580)   | 5,259   | 5,448  |
| Bank loan draw downs  | -   | (5,000)   | (5,000)  |
| Bank loan repayments  | 5,468   | 170   | 624  |
| Lease liabilities drawdown: non-cash  | -   | -   | -  |
| Lease liabilities drawdown: cash  | -   | -   | (389)  |
| Lease liabilities repayments  | 306   | 432   | 649  |
| Decrease / (increase) in interest bearing loans and borrowings              | 5,774   | (4,398)   | (4,116)  |
| Net (increase) / decrease in debt   | (806)   | 861   | 1,332  |
| Net debt brought forward  | (13,667)  | (14,999)  | (14,999)   |
| <b>Net debt</b>   | <b>(14,473)</b>   | <b>(14,138)</b>   | <b>(13,667)</b>                                    |
| <i>Net debt</i>   |   |   |  |
| Cash balance  | 7,976   | 14,367  | 14,556   |
| Less: Total interest-bearing loans and borrowings                           | (22,449)  | (28,505)  | (28,223)   |
| <b>Net debt</b>   | <b>(14,473)</b>   | <b>(14,138)</b>   | <b>(13,667)</b>                                    |

## 9. Interest-bearing Loans and Borrowings

|   | Unaudited<br>30 September<br>2021<br>£'000 | Unaudited<br>30 September<br>2020<br>£'000 | Audited<br>31 March<br>2021<br>£'000 |
|---|--|--|--------------------------------------|
| <i>Non-current liabilities</i>  |  |  |                                      |
| Secured bank loans  | 13,702                                     | 19,638                                     | 17,313                               |
| Lease liabilities   | 7,344                                      | 7,399                                      | 7,486                                |
| <b>Total non-current interest-bearing loans and lease liabilities</b> | <b>21,046</b>                              | <b>27,037</b>                              | <b>24,799</b>                        |
| <i>Current liabilities</i>  |  |  |                                      |
| Secured bank loans  | 940  | 926  | 2,797                                |
| Lease liabilities   | 463  | 542  | 627                                  |
| <b>Total current interest-bearing loans and lease liabilities</b>     | <b>1,403</b>                               | <b>1,468</b>                               | <b>3,424</b>                         |
| <i>Total liabilities</i>  |  |  |                                      |
| Secured bank loans  | 14,642                                     | 20,564                                     | 20,110                               |
| Lease liabilities   | 7,807                                      | 7,941                                      | 8,113                                |
| <b>Total interest-bearing loans and lease liabilities</b>             | <b>22,449</b>                              | <b>28,505</b>                              | <b>28,223</b>                        |

## 10. Capital Commitments

At 30 September 2021 the Group had capital commitments of £1,061,000 (Momart: £426,000 and FIC: £635,000) which have not been provided for in these financial statements.

At 30 September 2020 the Group had capital commitments of £389,000 at Momart, which have not been provided for in these financial statements.

**Directors**

Robin Williams *Non-executive Chairman*  
John Foster *Chief Executive*  
Stuart Munro *Chief Financial Officer*  
Jeremy Brade *Non-executive Director*  
Rob Johnston *Non-executive Director*  
Dominic Lavelle *Non-executive Director*

**Registered Office**

Kenburgh Court  
133-137 South Street  
Bishop's Stortford  
Hertfordshire CM23 3HX  
E: admin@fihplc.com  
W: www.fihplc.com  
Registered number 03416346

**Company Secretary**

Iain Harrison

**Corporate Information****Stockbroker and Nominated Adviser**

W.H. Ireland Limited  
24 Martin Lane,  
London EC4R 0DR

**Solicitors**

BDB Pitmans LLP  
50 Broadway,  
Westminster,  
London SW1H 0BL

**Auditor**

KPMG LLP  
St. Nicholas House,  
Park Row,  
Nottingham NG1 6FQ

**Registrar**

Link Group  
The Registry, 34 Beckenham Road,  
Beckenham,  
Kent BR3 4TU

**Financial PR**

Novella Communications  
South Wing, Somerset House  
London  
WC2R 1LA

**The Falkland Islands Company**

Kevin Ironside, *Director*  
T: 00 500 27600  
E: info@fic.co.fk  
W: [www.falklandislandscompany.com](http://www.falklandislandscompany.com)

**The Portsmouth Harbour  
Ferry Company**

Clive Lane, *Director*  
T: 02392 524551  
E: admin@gosportferry.co.uk  
W: [www.gosportferry.co.uk](http://www.gosportferry.co.uk)

**Momart Limited**

Steve Lane, *Director*  
T: 020 7426 3000  
E: enquiries@momart.com  
W: [www.momart.com](http://www.momart.com)

[www.fihplc.com](http://www.fihplc.com)