

Interim Results: Six months ended 30 September 2022

Chief Executive : Stuart Munro

Chief Financial Officer: Reuben Shamu



Trading Overview

FIH group plc	2022 £'m	2021 £'m	Change £'m
Turnover	22.8	17.3	5.5
Underlying operating profit	1.0	0.8	0.2
Interest payable on bank loans	(0.2)	(0.2)	-
Lease finance & pensions charges	(0.2)	(0.2)	-
Financing costs	(0.4)	(0.4)	-
Underlying profit before tax	0.6	0.4	0.2
Restructuring costs	-	-	-
Profit before tax	0.6	0.4	0.2
Avg shares (000's)	12,520	12,517	
Diluted EPS on underlying profit after tax	3.7p	(1.0)p	



Group Highlights

- Revenue increased by 32% to £22.8m (2021: £17.3m).
- Pre-tax profit of £0.6m (2021: £0.4m) despite government support reducing to £0.1m (2021: £0.3m).
- Improvement in Momart and Portsmouth Harbour Ferry Company (“PHFC”) offsetting reduced profits in the Falklands Islands Company (“FIC”).
- PHFC passenger numbers continue to rise.
- Strong balance sheet and cash position of £7.6m as at 30 September 2022.
- Interim dividend of 1.2 pence per share (2021: 1.0 pence per share) payable in January 2023.

Split by Business:

FIH group plc	2022 £'m	2021 £'m	Change £'m
FIC	12.2	9.9	2.3
PHFC	2.0	1.5	0.5
Momart	8.6	5.9	2.7
Turnover	22.8	17.3	5.5
FIC	0.3	0.6	(0.3)
PHFC	0.4	-	0.4
Momart	(0.1)	(0.2)	0.1
Underlying profit before tax	0.6	0.4	0.2
Restructuring costs	-	-	-
Profit before tax	0.6	0.4	0.2



Falkland Islands Company (FIC)





FIC Trading Overview

FIC	2022 £'m	2021 £'m	Change £'m
Retail	4.2	4.7	(0.5)
FBS (housing and construction)	4.3	1.8	2.5
Falklands 4x4	1.7	1.6	0.1
Support Services	1.5	1.4	0.1
Property Rental	0.5	0.4	0.1
Total revenue	12.2	9.9	2.3
Underlying operating profit	0.3	0.6	(0.3)
Defined benefit pension - finance expense	-	-	-
Underlying profit before tax	0.3	0.6	(0.3)



FIC Trading Overview

- Total revenue of £12.2m (2021: £9.9m) up 23%.
 - FBS revenue up £2.5m driven by £17.3m contract to build 70 houses for FIG.
 - Retail revenue down £0.5m where continued inflationary cost pressures have necessitated price increases and trading volumes are down.
 - Revenue in other areas broadly in line with prior year.
- Underlying operating profit of £0.3m (2021: £0.6m) down £0.3m impacted by:
 - Reduced volumes in Retail.
 - FBS equipment repair costs ahead of a very busy second half.
 - Reduced profitability on some FBS private house builds.
 - The mix of work in FBS and Support Services.



Momart





Momart : Trading Overview

Momart	2022 £'m	2021 £'m	Change £'m
Museum Exhibitions	4.5	2.4	2.1
Gallery Services	2.8	2.3	0.5
Storage	1.3	1.2	0.1
Total revenue	8.6	5.9	2.7
Underlying operating profit	0.1	-	0.1
Finance expense	(0.2)	(0.2)	-
Underlying loss before tax	(0.1)	(0.2)	0.1



Momart Trading Overview

- Revenue of £8.6m increased by £2.7m (46%) on prior year.
 - £2.1m improvement in Museum Exhibitions coming mainly from UK institutions.
 - £0.5m in Gallery Services from both art fairs and auction houses.
 - Storage income increased by £0.1m.
- Underlying pre-tax profit of £0.1m versus a breakeven result in the prior year.
 - £0.4m ahead excluding prior year pandemic-related support of £0.3m (2022: £nil).



Portsmouth Harbour Ferry Company (PHFC)





PHFC : Trading Overview

PHFC	2022 £'m	2021 £'m	Change £'m
Total revenue	2.0	1.5	0.5
Underlying operating profit	0.5	0.1	0.4
Finance expense	(0.1)	(0.1)	-
Underlying profit before tax	0.4	-	0.4



PHFC Trading Overview

- Monthly passenger numbers continued to improve.
 - 82% of pre-pandemic levels by 30 September 2022.
- Revenue increased by £0.5m (33%) to £2.0m.
 - Increase in both passenger numbers and fares.
- Underlying pre-tax profit of £0.5m (2021 £0.1m) increased by £0.4m reflecting the above and continued focus on cost control.

Trading Outlook and Strategy



Trading Outlook

- Momart and PHFC performing in line with expectations.
- Profits in the second half of the year at FIC should benefit from:
 - Return of tourists to the Falkland Islands boosting retail sales.
 - Christmas-related retail demand increase.
 - A strong construction order book and potential for further work for the Falkland Islands Government.
 - Improved construction output in the austral spring and summer months.
- Clear strategy in place for delivering increased shareholder value.



Strategy

- **Build current businesses back to and beyond pre-COVID position.**
 - Good progress but more to do.
 - Focus on control of costs and mitigating the impact of inflation.
- **Invest in developing existing businesses.**
 - Capitalise on Government and MOD work and maximise use of land assets in the Falkland Islands.
 - Monitor potential opportunities arising from Sea Lion oil field development.
- **Explore the potential for strategic acquisitions but only if they:**
 - Can be secured at an appropriate price.
 - Add to existing activities of the Group or bring growth potential in other sectors.
 - Can be integrated and optimised within management capacity.

Appendices

Cash Flow, Balance Sheet, Net Borrowings & Liquidity

Cash flow - for the six months ended 30 September

FIH group plc	2022 £'m	2021 £'m
Underlying profit before tax	0.6	0.4
Depreciation and amortisation	1.2	1.2
Net interest	0.4	0.4
Underlying EBITDA	2.2	2.0
Non-trading, cash items	-	-
Decrease / (increase) in hire purchase debtors	0.1	(0.1)
Increase in working capital	(2.2)	(1.2)
Tax paid and other	-	-
Net cash flow from operating activities	0.1	0.7
Capital expenditure	(0.9)	(1.1)
Disposal of fixed assets	-	-
Net bank and lease liabilities interest paid	(0.4)	(0.4)
Bank loan and lease liability repayments	(0.8)	(5.8)
Bank and lease liabilities draw down	-	-
Dividends paid	-	-
Net cash outflow from financing and investing activities	(2.1)	(7.3)
Total decrease in Cash	(2.0)	(6.6)
Opening cash balance	9.6	14.6
Closing cash balance	7.6	8.0



Balance sheet

FIH group plc	30 Sep 2022 £'m	30 Sep 2021 £'m	31 Mar 2022 £'m
Tangible fixed assets	38.2	39.5	39.1
Investment properties at net book value	8.5	7.8	8.2
Goodwill & intangibles	4.6	4.2	4.2
Deferred tax, joint venture & hire purchase > 1 year	1.5	1.7	1.7
Derivative financial instruments	2.3	-	0.6
Total non current assets	55.1	53.2	53.8
Working capital - net	7.2	6.8	5.2
Cash	7.6	8.0	9.6
Corporation tax payable	(0.4)	(0.2)	(0.2)
Interest bearing loans and liabilities < 1 year	(1.4)	(1.4)	(1.5)
Net current assets	13.0	13.2	13.1
Interest bearing loans and liabilities > 1 year	(19.0)	(21.1)	(19.7)
Derivative financial instruments	-	(0.2)	-
Employee benefits	(1.9)	(2.8)	(2.6)
Deferred tax liabilities	(4.3)	(3.6)	(3.9)
Net assets / equity shareholders funds	42.9	38.7	40.7



Borrowings, Cash & Liquidity

FIH group plc	30 Sep 2022 £'m	30 Sep 2021 £'m	31 Mar 2022 £'m
Bank loans due within 1 year	(1.0)	(1.0)	(1.0)
Bank loans due after 1 year	(12.7)	(13.7)	(13.2)
Total bank borrowings*	(13.7)	(14.7)	(14.2)
Cash	7.6	8.0	9.6
Net bank borrowings	(6.1)	(6.7)	(4.6)
Lease liabilities due within 1 year	(0.5)	(0.5)	(0.6)
Lease liabilities due after 1 year	(6.3)	(7.3)	(6.5)
Net debt	(12.9)	(14.5)	(11.7)
Net tangible assets	38.3	34.5	36.5
* Includes £12.4m mortgage on Leyton ** Total lease liability includes Ferry pontoon lease of £5.2m renewable after 2061			

