

24 November 2023

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

Results for the Six Months Ended 30 September 2023

FIH, the AIM quoted international specialist services group with businesses in the Falkland Islands and the UK, is pleased to announce its unaudited results for the six months ended 30 September 2023 ("the period"). Comparisons shown below are for the same period in 2022 unless otherwise stated.

Consistent Performance and a Strong Foundation for the Second Half of the Year

Highlights

- Revenue up 17% to £26.7 million (2022: £22.9 million) with improvement in all three businesses.
- Underlying pre-tax profit of £0.6 million (2022: £0.6 million) reflecting inflationary pressures across all businesses and investment in key people to drive future growth in Momart.
- Strong cash position of £9.2 million as at 30 September 2023 (2022: £7.6 million).
- An interim dividend to be paid of 1.25 pence per share (2022: 1.2 pence per share).

Outlook

- Momart and Portsmouth Harbour Ferry Company ("PHFC") performing in line with expectations.
- Falkland Islands Company ("FIC") performance in the second half should benefit from the Falkland Islands tourist season and increased construction activity in the more productive spring and summer months.

Stuart Munro Chief Executive, said:

"Despite the inflationary pressures experienced in all areas of the business, the Group delivered an underlying pre-tax profit of £0.6 million, which was consistent with the prior year. The UK businesses are delivering as expected, with Momart on track to deliver a much stronger second half. In FIC, the second half of the year should benefit from increased construction activity in the traditionally more productive austral spring and summer months. This is also the start of the tourist season, which should boost both direct and indirect revenues in a number of FIC business sectors, including Retail and Penguin Travel in Support Services."

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Market Abuse Regulation (MAR) Disclosure

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

The person responsible for arranging the release of this announcement on behalf of the Company is Stuart Munro Chief Executive of the Company.

Chairman's Statement

Revenue growth in all three businesses and an underlying pre-tax profit of £0.6 million, which was consistent with the prior year despite continuing global economic pressures, demonstrate the Group's resilience and provide a solid base for the traditionally stronger second half of the year.

Our people are crucial to the Group's success and I would like to thank each and every one of them for their skill, dedication and hard work, which is evident across the businesses and very much appreciated.

Dividend

I am pleased to announce an interim dividend of 1.25 pence per share (2022: 1.25 pence per share) which will be paid on 12 January 2024 to shareholders on the register at the close of business on 1 December 2023.

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 15 December 2023*.

Board and Governance

On 1 June 2023, Holger Schröder was appointed as a non-executive director of the Group.

As announced on 24 February 2023, Robin Williams stepped down from the Board at the AGM on 28 September 2023 and I was appointed the non-executive Chairman of the Group. On behalf of the Board, I would like to thank Robin for his extensive contribution to the Group in his six years as Chairman and look forward to working with the rest of the Board to drive the Group forward.

Nick Henry

Chairman

24 November 2023

* 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. 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

Revenue of £26.7 million for the six months ended 30 September 2023 was £3.8 million ahead of the same period last year, with improvements in all three businesses and in the majority of their constituent business sectors.

Group underlying pre-tax profit of £0.6 million remained in line with the same period last year due to a number of factors, including inflationary pressures which impacted all businesses and FIC Retail in particular, and investment in staff in Momart to deliver future growth.

Group Trading Results for the Six Months Ended 30 September 2023

Group revenues	2023	2022	Change
Six months ended 30 September	£m	£m	%
Falkland Islands Company	15.2	12.3	23.6
Momart	9.3	8.6	8.1
Portsmouth Harbour Ferry	2.2	2.0	10.0
Total revenue	26.7	22.9	16.6
Group underlying pre-tax profit / (loss)*			
Falkland Islands Company**	0.2	0.3	(33.3)
Momart**	-	(0.1)	-
Portsmouth Harbour Ferry**	0.4	0.4	-
Total underlying pre-tax profit*	0.6	0.6	-
Non-trading items (see note 3)***	0.2	1.7	(88.2)
Reported profit before tax	0.8	2.3	(65.2)

* 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.

*** As described in the basis of preparation, the comparative numbers were restated to correct the accounting treatment of hedge accounting.

Dividend

An interim dividend of 1.25 pence per share (2022: 1.2 pence per share) will be paid on 12 January 2024 to shareholders on the register at the close of business on 1 December 2023.

Group Operating Company Performance

Falkland Islands Company

Total revenue of £15.2 million was £2.9 million ahead of the same period last year, largely driven by growth in Falkland Building Services (“FBS”), due mainly to the £17.3 million contract to build a total of 70 Houses for the Falkland Islands Government (“FIG”) and the Ministry of Defence (“MOD”). Revenue recognised on this contract also included circa £0.5 million from variation orders. Retail revenue also improved, although the level of inflation put pressure on the resultant margin. These increases were partly offset by revenue reductions in Falkland 4x4, which experienced difficulties with sourcing both used and new vehicles, and Support Services, where a short-term arrangement to run a nursery service ended in the second half of the prior year.

The underlying operating profit of £0.2 million was £0.1 million below the same period last year. This was mainly due to reduced margins in Retail due to high energy costs and other inflationary pressures, together with reduced vehicle sales in Falkland 4x4 and less activity in Support Services.

FIC Operating Results	2023	2022	Change
Six months ended 30 September	£m	£m	%
Revenues			
Retail	4.7	4.2	11.9
FBS (housing and construction)	7.3	4.3	69.8
Falklands 4x4	1.2	1.7	(29.4)
Support Services	1.5	1.6	(6.3)
Property Rental	0.5	0.5	-
Total FIC revenue	15.2	12.3	23.6
FIC underlying operating profit	0.2	0.3	(33.3)
Net interest expense	-	-	-
FIC underlying profit before tax	0.2	0.3	(33.3)
FIC underlying operating profit margin	1.3%	2.4%	

Momart

Revenue of £9.3 million for the six months to 30 September 2023 was £0.7 million ahead of the prior year, with improvements across all sectors of the business.

The majority of the growth arose in Gallery Services, driven by a strong commercial market in both the gallery and art fair sectors and increased trading with both existing and new clients. The growth in Exhibitions was less pronounced, but the strength of its order book is expected to result in a stronger second half performance.

The underlying operating profit of £0.1 million was £0.1 million ahead of the same period last year, although this was suppressed slightly by investment in additional headcount and associated recruitment costs necessary to deliver future growth.

Momart Operating Results	2023	2022	Change
Six months ended 30 September	£m	£m	%
Revenues			
Museum Exhibitions	4.6	4.5	2.2
Gallery Services	3.2	2.8	14.3
Storage	1.5	1.3	15.4
Total Momart revenue	9.3	8.6	8.1
Momart underlying operating profit	0.2	0.1	100.0
Net interest expense	(0.2)	(0.2)	-
Momart underlying profit / (loss) before tax	-	(0.1)	-

Portsmouth Harbour Ferry Company

Passenger numbers for the first half of the year were broadly in line with the same period last year, with inflationary fare rises in April 2023 being largely responsible for revenue increasing by £0.2 million to £2.2 million.

Underlying operating profit of £0.5 million was in line with the prior year, despite the latter including £0.1 million of non-recurring support from Gosport Council.

PHFC Operating Results Six months ended 30 September	2023 £m	2022 £m	Change %
Revenues			
Ferry fares	2.2	2.0	10.0
Total PHFC revenue	2.2	2.0	10.0
PHFC underlying operating profit	0.5	0.5	-
Pontoon lease liability & vessel loan expense	(0.1)	(0.1)	-
PHFC underlying profit before tax	0.4	0.4	-

Trading Outlook

The trading outlook for the Group remains positive. PHFC continues to perform as expected and in Momart, the strong order book in Exhibitions, continued growth in the Gallery Services business and a trading cycle which is skewed towards the latter half of the year, should result in a stronger second half performance. In FIC, activity in FBS is expected to accelerate in the second half of the year, which includes the traditionally more productive austral spring and summer months. The second half of the year also benefits from the tourist season, which should boost both direct and indirect revenues in a number of FIC business sectors, including Retail and Penguin Travel in Support Services.

Stuart Munro

Chief Executive

24 November 2023

Chief Financial Officer's Review

Financial Review

Restatements

As detailed in the basis of preparation, the comparative numbers were restated to correct the accounting treatment of some right of use assets and the application of hedge accounting.

Revenue

Group revenue increased by £3.8 million (17%) to £26.7 million (2022: £22.9 million) with improvements of £2.9 million in FIC, £0.7 million in Momart and £0.2 million in PHFC.

Operating Profit

Operating profit of £0.9 million was £0.1 million below the prior year, with improvements from revenue growth offset by a number of factors, as described in the Chief Executive's review.

Net Financing Costs

The Group's net financing costs of £0.1 million were £1.3 million lower than the prior year due mainly to the movement in the fair value of the derivative instrument. The net underlying finance expense of £0.3 million was £0.1 million lower than the previous year because of higher interest rates on cash on deposit.

Reported Pre-tax Profit

The reported pre-tax result for the six months ended 30 September 2026 was a profit of £0.8 million (2022: £2.3 million as restated per note 1). Underlying pre-tax profit was £0.6 million (2022: £0.6 million).

Taxation

Taxation charges on the period results for both the six months ended 30 September 2023 and 30 September 2022 have been estimated on the basis of 25% and 26% of profits arising in the UK and the Falkland Islands respectively, resulting in a current tax charge of £0.1 million for each period.

Earnings per Share

Diluted Earnings per Share ("EPS") derived from reported profits was 4.9 pence (2022: 13.8 pence). The movement is explained by the movement in the fair value of the derivative instrument. Underlying diluted EPS was 3.5p (2022: 3.7p).

Balance Sheet and Cash Flow

The Group's balance sheet remained strong with total net assets of £44.8 million, reflecting an improvement on the balances at 31 March 2023 of £44.0 million and 30 September 2022 of £43.1 million (as restated per note 1) of £0.8 million and £1.7 million respectively. This was largely driven by the revaluation of the Group's interest rate swap.

Net Debt

	30 September 2023 £m	30 September 2022 £m	31 March 2023 £m
Bank loans*	(12.8)	(13.7)	(13.3)
Cash and cash equivalents	9.2	7.6	12.8
Net debt	(3.6)	(6.1)	(0.5)
Lease liabilities**	(6.2)	(6.2)	(6.4)
Net debt after lease liabilities	(9.8)	(12.3)	(6.9)

*Includes a mortgage of £11.9 million on the Group's freehold premises in Leyton (31 March 2023: £12.1 million).

**As detailed in the basis of preparation, the comparative numbers were restated to correct the accounting treatment of some right of use assets.

Bank loans reduced to £12.8 million (31 March 2023: £13.3 million) following scheduled loan repayments of £0.5 million.

The Group's cash balance reduced by £3.6 million to £9.2 million (31 March 2023: £12.8 million) reflecting scheduled interest, loan and lease repayments of £1.1 million, capital expenditure of £1.2 million and a £1.3 million net cash outflow from operating activities. The usual seasonality of activity in FIC and Momart resulted in an increase in working capital in the first six months, which should improve in the busier second half of the year. In addition to this, a small number of large creditor balances were settled after 31 March 2023.

The Group's outstanding lease liabilities totalled £6.2 million (31 March 2023: £6.5 million) with £4.5 million of the balance (31 March 2023: £4.6 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 £3.6 million (31 March 2023: £0.5 million).

Reuben Shamu
Chief Financial Officer
24 November 2023

**Consolidated Income Statement
For the Six Months Ended 30 September 2023**

<i>Notes</i>	Unaudited Six Months to 30 September 2023 £'000	Restated Unaudited Six Months to 30 September 2022 £'000	Audited Year Ended 31 March 2023 £'000
2 Revenue	26,689	22,890	52,712
Cost of sales	(16,107)	(14,004)	(31,588)
Gross profit	10,582	8,886	21,124
Operating expenses	(9,677)	(7,892)	(17,111)
Operating profit before non-trading items	905	994	4,013
3 Non-trading items	(8)	-	(79)
Operating profit	897	994	3,934
4 Net finance (expense)/income*	(75)	1,296	112
Profit before tax	822	2,290	4,046
5 Taxation	(209)	(559)	(924)
Profit attributable to equity holders of the Company	613	1,731	3,122
2 Underlying profit before tax	592	591	3,218
6 Earnings per share			
Basic	4.9p	13.8p	24.9p
Diluted	4.9p	13.8p	24.9p

* Finance (expense)/income includes a non-trading movement in the fair value of derivative financial instruments of £238,000 (Six months ended 30 September 2022: £1,699,000; year ended 31 March 2023: £907,000).

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 2023

<i>Notes</i>	Unaudited 30 September 2023 £'000	Restated Unaudited 30 September 2022 £'000	Audited 31 March 2023 £'000
Non-current assets			
Intangible assets	4,480	4,580	4,376
Property, plant and equipment	38,725	37,853	38,677
Investment properties	7,825	8,465	7,922
Investment in joint venture	259	259	259
Hire purchase lease receivables	493	751	681
Deferred tax assets	459	490	482
Derivative financial instruments	1,804	2,350	1,559
Total non-current assets	54,045	54,748	53,956
Current assets			
Inventories	6,851	7,791	6,876
Trade and other receivables	10,084	8,042	10,189
Hire purchase lease receivables	405	370	397
8 Cash and cash equivalents	9,184	7,554	12,800
Total current assets	26,524	23,757	30,262
Total assets	80,569	78,505	84,218
Current liabilities			
Trade and other payables	(9,857)	(8,895)	(13,718)
9 Interest bearing loans and borrowings	(1,560)	(1,422)	(1,520)
Corporation tax payable	(834)	(788)	(599)
Total current liabilities	(12,251)	(11,105)	(15,837)
Non-current liabilities			
9 Interest bearing loans and borrowings	(17,465)	(18,504)	(18,214)
Deferred tax liabilities	(4,215)	(3,913)	(4,215)
Employee benefits	(1,873)	(1,870)	(1,978)
Total non-current liabilities	(23,553)	(24,287)	(24,407)
Total liabilities	(35,804)	(35,392)	(40,244)
Net assets	44,765	43,113	43,974
Capital and reserves			
Equity share capital	1,251	1,251	1,251
Share premium account	17,590	17,590	17,590
Other reserves	703	703	703
Retained earnings	25,298	23,659	24,514
Hedging reserve	(77)	(90)	(84)
Total equity	44,765	43,113	43,974

Consolidated Cash Flow Statement
For the Six Months Ended 30 September 2023

<i>Notes</i>	Unaudited Six Months to 30 September 2023 £'000	Restated Unaudited Six Months to 30 September 2022 £'000	Audited Year Ended 31 March 2023 £'000
Cash flows from operating activities			
Profit for the period after taxation	613	1,731	3,122
<i>Adjusted for:</i>			
Non-cash items:			
Amortisation	8	27	10
Depreciation: Property, plant and equipment	1,121	1,124	2,420
Depreciation: Investment properties	102	71	210
Interest cost on pension scheme liabilities	46	35	70
Equity-settled share-based payment expenses	96	48	41
Fair value movement in derivative financial instrument	(238)	(1,699)	(907)
Loss /(gain) on disposal of fixed assets	18	-	(337)
Exchange (gains) / losses	-	(31)	26
Bank interest payable	208	209	424
Lease liability finance expense	137	159	304
Decrease in hire purchase leases receivable	180	115	158
Corporation and deferred tax expense	209	559	924
<i>Non-cash items</i>	1,887	617	3,343
Operating cash flow before changes in working capital	2,500	2,348	6,465
Decrease / (increase) in trade and other receivables	105	(51)	(2,198)
Decrease / (increase) in inventories	25	(1,051)	(136)
(Decrease) / increase in trade and other payables	(3,861)	(1,162)	3,748
Changes in working capital	(3,731)	(2,264)	1,414
Cash generated from operations	(1,231)	84	7,879
Payments to pensioners	(51)	(49)	(101)
Corporation taxes received / (paid)	24	-	(243)
Net cash flow from operating activities	(1,258)	35	7,535
Cash flows from investing activities			
Purchase of property, plant and equipment	(1,118)	(847)	(1,859)
Purchase of intangibles	(112)	(37)	(115)
Purchase of investment properties	(5)	(39)	(10)
Proceeds from the sale of property, plant and equipment	49	-	378
Net cash flow from investing activities	(1,186)	(923)	(1,606)

Continued on next page.

Consolidated Cash Flow Statement (continued)
For the Six Months Ended 30 September 2023

	Unaudited Six Months to 30 September 2023 £'000	Restated Unaudited Six Months to 30 September 2022 £'000	Audited Year Ended 31 March 2023 £'000
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Notes

Cash flows from financing activities

Repayment of bank loans	(459)	(472)	(928)
Bank interest paid	(208)	(209)	(424)
Repayment of lease liabilities principal	(368)	(321)	(618)
Lease liabilities interest paid	(137)	(159)	(304)
Dividends paid	-	-	(401)
Net cash flow from financing activities	(1,172)	(1,161)	(2,675)

Net (decrease) / increase in cash and cash equivalents

Net (decrease) / increase in cash and cash equivalents	(3,616)	(2,049)	3,254
Cash and cash equivalents at start of year	12,800	9,572	9,572
Exchange gains / (losses) on cash balances	-	31	(26)
Cash and cash equivalents at end of year	9,184	7,554	12,800

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**Consolidated Statement of Comprehensive Income
For the Six Months Ended 30 September 2023**

	Unaudited Six Months to 30 September 2023 £'000	Restated Unaudited Six Months to 30 September 2022 £'000	Audited Year Ended 31 March 2023 £'000
Profit for the period	613	1,731	3,122
Amortisation of hedge reserve	7	7	13
Deferred tax on share options and other financial liabilities	-	-	(3)
Items that are or may be reclassified subsequently to profit or loss	7	7	10
Re-measurement of the FIC defined benefit pension scheme	100	678	553
Movement on deferred tax asset relating to the pension scheme	(25)	(176)	(176)
Items which will not ultimately be recycled to the income statement	75	502	377
Total other comprehensive income	82	509	387
Total comprehensive income / (loss)	695	2,240	3,509

**Condensed Consolidated Statement of Changes in Shareholders' Equity
For the Six Months Ended 30 September 2023**

	Unaudited Six Months to 30 September 2023 £'000	Restated Unaudited Six Months to 30 September 2022 £'000	Audited Year Ended 31 March 2023 £'000
Shareholders' funds at beginning of period	43,974	40,825	40,825
Profit / (loss) for the period	613	1,731	3,122
Amortisation of hedge reserve	7	7	13
Deferred tax on share options and other financial liabilities	-	-	(3)
Re-measurement of the defined benefit pension liability, net of tax	75	502	377
Total comprehensive income / (loss)	695	2,240	3,509
Transactions with owners in their capacity as owners:			
Share-based payments	96	48	41
Dividends paid	-	-	(401)
Total transactions with owners	96	48	(360)
Shareholders' funds at end of period	44,765	43,113	43,974

Notes to the Unaudited Interim Statements

1. Basis of Preparation

This interim financial statement comprises the condensed consolidated balance sheets at 30 September 2023, 30 September 2022 and 31 March 2023 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').

Cash flow forecasts for the Group have been prepared covering the going concern period and the directors have considered downside scenarios to the base case forecasts to reflect emerging risks and uncertainties as a result of global economic conditions. The base case and sensitised forecasts indicate that the business will be cash generative over this period and that the Group will comply with its covenants and have sufficient funds to meet its liabilities as they fall due throughout the going concern period.

Consequently, the directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of issue of these interim financial statements and the interim financial statements have therefore been prepared on a going concern basis.

The interim financial information has been prepared in accordance with the accounting policies set out in the Group's 2023 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'.

Restatements

The prior period financial information for the following areas was restated as set out below.

Right of use assets

The seabed lease in PHFC contains variable rental payments which are reset every five years based on the revenue of the ferry business. This lease was previously incorrectly accounted for as one 50-year lease with all future expected payments over the period of the lease reflected in the measurement of the liability. The liability has been restated as an element of the future lease payments varies with the revenue of PHFC and should not have been reflected in the measurement of the liability. The lease liability will be remeasured in the future when variable payments become fixed. The impact at 30 September 2022 was an increase in retained earnings of £0.2 million and reductions in property, plant and equipment and interest-bearing loans and borrowings of £0.4 million and £0.6 million respectively. There was no impact on profit for the period ended 30 September 2022.

Hedge accounting

Following a reassessment of the criteria for applying hedge accounting after the benchmark change from LIBOR to SONIA, it was concluded that the hedging criteria were no longer met. Hedge accounting was therefore discontinued from 1 January 2022. The impacts of this change were as follows:

- An increase in retained earnings of £0.5 million and reduction in the hedging reserve in equity of £0.5 million as at 31 March 2022.
- A credit to the consolidated income statement of £1.3 million in the period ending 30 September 2022 (comprising a £1.7 million credit to net finance income and a £0.4 million charge to tax expense), which was previously incorrectly accounted for in the hedging reserve. The impact on both basic and diluted EPS in the period to 30 September 2022 was an increase of 10.1p.

Section 245 Statement

The comparative figures for the financial year ended 31 March 2023 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 2023

	General Trading (Falkland Islands) £'000	Ferry Services (UK) £'000	Art Logistics and Storage (UK) £'000	£'000	Total £'000
Revenue	15,172	2,231	9,286	-	26,689
Segment operating profit before net financing costs	253	511	141	-	905
Non-trading items	-	(8)	-	-	(8)
Profit before net financing costs	253	503	141	-	897
Finance income	23	23	32	238	316
Finance expense	(46)	(130)	(215)	-	(391)
Segment profit / (loss) before tax	230	396	(42)	238	822
Assets and liabilities					
Segment assets	34,862	9,321	31,355	5,031	80,569
Segment liabilities	(10,563)	(7,123)	(17,672)	(446)	(35,804)
Segment net assets	24,299	2,198	13,683	4,585	44,765
Other segment information					
<i>Capital expenditure:</i>					
Property, plant and equipment	706	176	236	-	1,118
Investment properties	5	-	-	-	5
Computer software	59	-	53	-	112
Total capital expenditure	770	176	289	-	1,235
<i>Depreciation and amortisation:</i>					
Property, plant and equipment	421	225	475	-	1,121
Investment properties	102	-	-	-	102
Computer software	-	-	8	-	8
Total depreciation and amortisation	523	225	483	-	1,231
Underlying profit/(loss)					
Segment operating profit before non-trading items	253	511	141	-	905
Finance income	23	23	32	-	78
Finance expense	(46)	(130)	(215)	-	(391)
Underlying profit / (loss) before tax	230	404	(42)	-	592

2. Segmental Revenue and Profit Analysis (Continued)

Unaudited - Six Months Ended 30 September 2022

	General Trading (Falkland Islands) £'000	Ferry Services (UK) £'000	Art Logistics and Storage (UK) £'000	Unallocated £'000	Total £'000
Revenue	12,285	2,039	8,566	-	22,890
Segment operating profit before net financing costs	334	498	162	-	994
Finance income	-	-	-	1,699	1,699
Finance expense	(35)	(146)	(222)	-	(403)
Segment profit / (loss) before tax	299	352	(60)	1,699	2,290
Assets and liabilities					
Segment assets	32,573	9,615	31,331	4,986	78,505
Segment liabilities	(9,022)	(7,313)	(17,917)	(1,140)	(35,392)
Segment net assets	23,551	2,302	13,414	3,846	43,113
Other segment information					
<i>Capital expenditure:</i>					
Property, plant and equipment	322	48	472	5	847
Investment properties	39	-	-	-	39
Computer software	25	-	12	-	37
Total capital expenditure	386	48	484	5	923
<i>Depreciation and amortisation:</i>					
Property, plant and equipment	443	201	480	-	1,124
Investment properties	71	-	-	-	71
Computer software	12	11	4	-	27
Total depreciation and amortisation	526	212	484	-	1,222
Underlying profit/(loss)					
Segment operating profit before non-trading items	334	498	162	-	994
Finance expense	(35)	(146)	(222)	-	(403)
Underlying profit / (loss) before tax	299	352	(60)	-	591

2. Segmental Revenue and Profit Analysis (Continued)

Year Ended 31 March 2023

	General Trading (Falkland Islands) £'000	Ferry Services (UK) £'000	Art Logistics and Storage (UK) £'000	Unallocated £'000	Total £'000
Revenue	29,383	3,817	19,512	0	52,712
Segment operating profit before net financing costs	1,955	608	1,450	0	4,013
Non-trading items	0	0	(79)	0	(79)
Profit before net financing costs	1,955	608	1,371	0	3,934
Finance income	0	0	3	907	910
Finance expense	(70)	(287)	(441)	0	(798)
Segment profit / (loss) before tax	1,885	321	933	907	4,046
Assets and liabilities					
Segment assets	35,933	9,519	33,889	4,877	84,218
Segment liabilities	(12,954)	(7,341)	(19,364)	(585)	(40,244)
Segment net assets	22,979	2,178	14,525	4,292	43,974
Other segment information					
<i>Capital expenditure:</i>					
Property, plant and equipment	1,115	205	539	0	1,859
Investment properties	10	0	0	0	10
Computer software	81	0	34	0	115
Total capital expenditure	1,206	205	573	0	1,984
<i>Depreciation and amortisation:</i>					
Property, plant and equipment	1,231	418	771	-	2,420
Investment properties	210	-	-	-	210
Computer software	-	-	10	-	10
Total depreciation and amortisation	1,441	418	781	-	2,640
Underlying profit/(loss)					
Segment operating profit before non-trading items	1,955	608	1,450	-	4,013
Finance income	-	-	3	-	3
Finance expense	(70)	(287)	(441)	-	(798)
Underlying profit / (loss) before tax	1,885	321	1,012	-	3,218

3. Non-trading Items

	Unaudited Six Months to 30 September 2023 £'000	Restated Unaudited Six Months to 30 September 2022 £'000	Audited Year Ended 31 March 2023 £'000
Profit before tax as reported	822	2,290	4,046
Restructuring costs	8	-	79
Movement in fair value of derivative financial instruments	(238)	(1,699)	(907)
Non-trading items	(230)	(1,699)	(828)
Underlying profit before tax	592	591	3,218

Restructuring costs relate to employee redundancies.

4. Finance Income and Expense

	Unaudited Six Months to 30 September 2023 £'000	Restated Unaudited Six Months to 30 September 2022 £'000	Audited Year Ended 31 March 2023 £'000
Bank interest receivable	78	-	3
Underlying finance income	78	-	3
Movement in fair value of derivative financial instruments	238	1,699	907
Non-trading finance income	238	1,699	907
Total finance income	316	1,699	910
Interest payable on bank loans	(208)	(209)	(424)
Net interest cost on the FIC defined benefit pension scheme liability	(46)	(35)	(70)
Lease liabilities finance charge	(137)	(159)	(304)
Total finance expense	(391)	(403)	(798)
Net finance (expense) / income	(75)	1,296	112

5. Taxation

	Unaudited Six Months to 30 September 2023 £'000	Restated Unaudited Six Months to 30 September 2022 £'000	Audited Year Ended 31 March 2023 £'000
Current tax charge	209	559	579
Prior year research and development tax credit	-	-	(99)
Deferred tax charge	-	-	444
Total tax expense	209	559	924

The current tax charge has been estimated on the basis of 25% and 26% of profits arising in the UK and the Falkland Islands respectively (September 2022: 19% and 26% of profits arising in the UK and the Falkland Islands respectively).

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.

	Unaudited Six Months to 30 September 2023 Number	Restated Unaudited Six Months to 30 September 2022 Number	Audited Year Ended 31 March 2023 Number
Profit on ordinary activities after taxation	613	1,731	3,122
Average number of shares in issue	12,519,900	12,519,900	12,519,900
Effect of share options	-	-	-
Diluted weighted average number of shares	12,519,900	12,519,900	12,519,900
Basic earnings per share	4.9p	13.8p	24.9p
Diluted earnings per share	4.9p	13.8p	24.9p

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.

	Unaudited Six Months to 30 September 2023 £'000	Restated Unaudited Six Months to 30 September 2022 £'000	Audited Year Ended 31 March 2023 £'000
Underlying profit before tax (note 3)	592	591	3,218
Underlying taxation	(152)	(132)	(705)
Underlying profit / (loss) after tax	440	459	2,513
Basic earnings per share on underlying profit / (loss)	3.5p	3.7p	20.1p
Diluted earnings per share on underlying profit / (loss)	3.5p	3.7p	20.1p

7. Employee Benefits

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.

The Group's pension liability was recalculated under IAS 19 at 30 September 2023. The assumptions used were based on those for the year ended 31 March 2023, updated for changes in market rates. The resultant net liability reduced to £1.9 million driven by an increase in the discount rate assumption.

8. Cash and Cash Equivalents

	Unaudited 30 September 2023 £'000	Unaudited 30 September 2022 £'000	Audited 31 March 2023 £'000
Cash and cash equivalents in the balance sheet	9,184	7,554	12,800
		Restated Unaudited Six Months to 30 September 2022 £'000	Audited Year Ended 31 March 2023 £'000
Net decrease in cash and cash equivalents	(3,616)	(2,049)	3,254
Exchange gains / (losses)	-	31	(26)
Net decrease in cash and cash equivalents after exchange losses	(3,616)	(2,018)	3,228
Bank loan repayments	459	472	928
Other non-cash changes	(118)	-	(561)
Lease liabilities repayments	368	321	618
Decrease in interest bearing loans and borrowings	709	793	985
Net (increase) / decrease in debt	(2,907)	(1,225)	4,213
Net debt brought forward	(6,934)	(11,147)	(11,147)
Net debt	(9,841)	(12,372)	(6,934)
<i>Net debt</i>			
Cash balance	9,184	7,554	12,800
Less: Total interest-bearing loans and borrowings	(19,025)	(19,926)	(19,734)
Net debt	(9,841)	(12,372)	(6,934)

9. Interest-bearing Loans and Borrowings

	Unaudited 30 September 2023 £'000	Restated Unaudited 30 September 2022 £'000	Audited 31 March 2023 £'000
<i>Non-current liabilities</i>			
Secured bank loans	11,796	12,759	12,316
Lease liabilities*	5,669	5,745	5,898
Total non-current interest-bearing loans and lease liabilities	17,465	18,504	18,214
<i>Current liabilities</i>			
Secured bank loans	1,001	952	939
Lease liabilities*	559	470	581
Total current interest-bearing loans and lease liabilities	1,560	1,422	1,520
<i>Total liabilities</i>			
Secured bank loans	12,797	13,711	13,255
Lease liabilities*	6,228	6,215	6,479
Total interest-bearing loans and lease liabilities	19,025	19,926	19,734

* As detailed in the basis of preparation, the comparative numbers were restated to correct the accounting treatment of some right of use assets.

10. Capital Commitments

At 30 September 2023, the Group had capital commitments of £447,000 which had not been provided for in the financial statements, comprising £408,000 in Momart and £39,000 in PHFC.

At 30 September 2022, the Group had capital commitments of £615,000 which had not been provided for in the financial statements, comprising £482,000 in Momart, £107,000 in FIC and £26,000 in PHFC.

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Holger Schröder

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Chief Financial Officer
Non-executive Director
Non-executive Director
Non-executive Director

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