

COMMUNICATIONS (FIJI) LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty ninth Annual General Meeting of the members of Communications (Fiji) Limited will be held at 10am on Wednesday, the 7th of May 2014, at 231 Waimanu Road, Suva to transact the following business:

Ordinary business:

1. Confirmation of the minutes of the twenty eighth Annual General Meeting held on the 26th of April 2013. **(Minutes were read and confirmed)**
2. Matters arising from the minutes **(None)**
3. To receive and adopt the Audited Balance Sheets and Profit and Loss Statements and the reports of the Directors and Auditors for the year ended 31st December 2013. **(The financials were adopted and received by shareholders unanimously)**
4. To elect, re-elect and re-appoint Directors under Article 108 of the Articles of Association of the Company. **(Mr Wilson was unanimously re-appointed by shareholders)**
5. To appoint Auditors from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a fee to be negotiated by the Directors. The retiring Auditors M/s. Ernst & Young, Chartered Accountants, being eligible, offer themselves for appointment. **(Ernst & Young were re-appointed as auditors for 2014 by shareholders)**
6. Adopt that a 3rd interim dividend of \$177,900 (5 cents per share) be declared as final dividend for the year 2013. **(3rd Interim Dividend was adopted as final dividend for the year 2013)**
7. Any other business brought up in conformity with the Articles of Association of the company.
(Sale of Doiminion Insurance to Capital Insurance was discussed. Managing Director, William Parkinson informed the shareholders that he is in process of seeking clarification from Dominion Insurance, in order to establish any possible impact on CFL's Investment in 231 Waimanu Rd. CFL holds 50% shares in 231 Waimanu rd and the other 50% is owned by Dominion Insurance)

By order of the Board of Directors,



Jyoti Solanki

Company Secretary

Dated: 4th April 2014

Suva, Fiji Islands



Remarks by Chairman Matt Wilson

at 29th Annual General Meeting, Communications Fiji Ltd (CFM),

Suva, May 7, 2014

Good morning and welcome to this the 29th annual general meeting of Communications Fiji Ltd. By now you will have read reports in the media about the 2013 results as outlined in the annual report, and in a statement to the South Pacific Stock Exchange.

I described 2013 as a year of contrast. It was divided into two parts. We began very strongly in the first six months and then Group performance dropped significantly in the last half.

The reason for this was a slump in the economy of Papua New Guinea that had a damaging impact on the revenue figures of our subsidiary PNG FM. Commercial activity slowed when the construction phase of the massive Liquid Natural Gas (LNG) project wound down. There was also a shift in commodity prices and a fall in the value of the kina.

Many companies felt the combined effect of these developments in terms of reduced income and profit.

Management and employees in Fiji held the line well in a very competitive market that showed little growth. Their efforts produced a small increase in profit.

You are aware that Group profit for the year was \$1,515,009, well down on the record profit for 2012. However, to place the 2013 figure in context, it was the second biggest profit in our history.

FM96

Legend FM

Navtarang

RADIO Sargam

VITI FM

TOTAL EVENT CO.

fijivillage.com

CFL Cinemas

Communications

Fiji Limited

parent company of:

Fiji: FM96, Legend, Navtarang,

Radio Sargam, VITI FM,

Total Event Company

& Fijivillage.com

PNG: Nau FM & Yumi FM

SUVA

HEAD OFFICE

231 Waimanu Rd,

Suva, Fiji.

Private Mail Bag, Suva

Telephone: (679) 331 4766

Fax: (679) 330 3748

Email: info@fm96.com.fj

Website: fijivillage.com

LAUTOKA

Grnd Flr, Sugar Cane Growers

Council Bldg, Drasa Avenue

Lautoka, Fiji

PO Box 4190, Lautoka

Telephone: (679) 666 4966

Fax: (679) 666 4996

LABASA

10 Rosawa Street

Labasa, Fiji

Telephone: (679) 881 2791

Fax: (679) 881 2177

I am pleased to tell you that so far this year, Fiji is tracking ahead of 2013. This can be attributed to a lift in the economy related to the 2014 elections. There are positive sentiments among consumers and in the commercial community. We look forward to a successful transition to parliamentary rule. This in itself will spur further confidence and create an enhanced business climate.

Looking to the future, Fiji, the company's home, will always be important for the Group. It is a country of enormous unrealized potential. But, as a media company, we are somewhat constrained by ownership restrictions. If we can successfully argue for these to be relaxed somewhat, the outlook here will improve.

PNG FM is central to our vision for expansion. Papua New Guinea is a new economic and business frontier. It has rich natural resources, a large population by Pacific Island standards and a relatively substantial landmass. It is strategically located as a bridge between Asia and the Pacific.

This is our twentieth year of operation in PNG and we are therefore familiar with the cyclical nature of the national patterns of growth. The current cycle is still holding back our performance. We do not expect a significant increase in profit this year.

However, there are indications and forecasts that conditions next year will produce a surge in business. Our priority is to ensure PNG FM is ready for that.

The company has tripled in size in the last four years and, naturally, challenges have come with that rate of growth. We are continuing to invest in reorganisation and restructuring to address the transformation.

Internal controls are now tighter and financial management is centralized through head office in Suva, with the assistance of IT and banking technology. This is working well.

The board had its first meeting in Port Moresby last month. This gave your directors an opportunity to hear from the PNG FM team leaders and other executives. We were very impressed with their levels of talent, their vision and closeness to the market. The directors were shown around the first Paradise Cinemas complex and a second one at Waigani to cater to a different market. We hold a third shareholding in this venture.

The visit to Port Moresby was very productive.

The CFM Group has the most talented and experienced pool of broadcast professionals in the Pacific. For some time we have been drawing on the skills of executives in Suva - especially in accounting, creative and engineering - to provide short-term hands-on assistance for the development of the PNG enterprise.

We are now taking this policy of support to a new level with the appointment of Charles Taylor, a versatile and highly experienced manager from head office, as deputy general manager in Papua New Guinea. Charles will work very closely with PNG FM team leaders to help them fine-tune the organizational framework and systems and deliver results to budget. He should be in place by June for an initial term of two years.

This appointment will free up the general manager, Adrian Au, to spend more time on overall supervision, especially on financial management in close collaboration with the Group Financial Controller, Jyoti Solanki.

Shareholders will obviously have noticed the rise and rise of the CFM share price. This is a testament to the hard work, skill and determination of many people and to the confidence of the market.

We will shortly be asking you to formalize the payment of a third interim dividend of five cents per share, bringing the final dividend for 2013 to 15 cents per share.

I thank my fellow directors for their contributions to the work of the board during the year and express our appreciation for the support of you, the shareholders.

- END -
