

COMMUNICATIONS (FIJI) LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 32nd Annual General Meeting of the members of Communications (Fiji) Limited will be held at 12pm on Wednesday, the 10th of May 2017, at 231 Waimanu Road, Suva to transact the following business:

AGENDA

General Business

Minutes of the Previous Meeting held on 27th of May 2016:

To receive, consider and adopt the minutes of the previous Annual general Meeting held on 27th May 2016 as correct record of the meeting. (Minutes of the previous meeting was unanimously adopted by show of hands)

Ordinary business:

Item 1 Adoption of Financial Statements for the year ended 31st December 2016

To receive, consider and adopt the Audited financial position and Comprehensive Income Statement and the reports of the Directors and Auditors for the year ended 31st December 2016. (Motion to adopt the financial statements was moved by Mr Maganlal and was seconded by Vijay Narayan. Motion was accepted unanimously)

Item 2 Election of Directors

- (a) Mr Pramesh Sharma retires by rotation in accordance with Article 108 of the Articles of Association of the Company, and being eligible offers himself for re-appointment as a director of the company. (Appointment was proposed by Ms Sufi Dean and Seconded by Mr Ashnil. All the shareholders unanimously endorsed his appointment)

Item 3 Appointment of Directors

- (b) To ratify appointment of Ms Thelma Savua on 22nd Feb 2017 as an Independent director under South Pacific Stock Exchanges (SPSE) listing rules section 6.35. (Mr Pramesh Sharma proposed appointment of Ms Thelma and it was seconded by Vilash Chand. All the shareholders unanimously endorsed her appointment)

Item 4 Appointment of Auditors

To appoint auditors in accordance with section 422 of the Companies Act, 2015. The board proposes that M/s. Ernst & Young, Chartered Accountants, be re-appointed as auditors of the company for the year 2017 and that the board be authorized to fix their remuneration. (Appointment of Auditors was proposed by William Parkinson and seconded by Pramesh Sharma. Auditors were unanimously reappointed. The shareholders gave authority to the board to decide on the fee)

Item 5 Declaration of Dividends

The board recommends adopting the 1st dividend of \$426,960 (12 cents per share) as final dividend for the year 2016. (Motion to Adopt Dividend was moved by Elenoa and seconded by Maganlal. It was endorsed unanimously)

Other Business:

Any other business brought up in conformity with the Articles of Association of the company. (Process of amending company's Articles to bring it line with company's Act is underway and will be available to shareholders in next AGM.)

By order of the Board of Directors,



Jyoti Khatri
Company Secretary

Dated: 19th April 2017
Suva, Fiji Islands

Chair's address at 32nd Annual General Meeting Communications (Fiji) Ltd, Suva, 10th May, 2017

Good morning and permit me to formally welcome you to the 32nd annual meeting of your company, Communications (Fiji) Ltd.

My first task is to tell you personally why I am sitting here this morning. The reason is outlined in the annual report but I take the opportunity now of expanding slightly on that explanation.

Last year I announced I would be stepping down in December for personal reasons. That was indeed my intention. But then I had persuasive representations from some board members for me to reconsider and stay on till the first part of 2018. I had to think hard about this. In the end my loyalty and affection for CFL prevailed and I said yes. Extending my service as chair is necessary as part of a transition process linked to new board and management arrangements.

So I hope you don't mind putting up with me for another 12 months or so!

We are now moving forward with the reorganization that will lead ultimately to William Parkinson succeeding me.

William, who is in a real sense the "founding father" of the Group, has relinquished the position of managing director to become executive director. He will be key to ensuring that the reorganization is successful. He is there to nudge, guide, mentor, encourage and motivate while gradually stepping back from some of his operational duties.

He will be talking to you shortly about the first stages of his assignment.

We are placing special emphasis on PNG FM with the aim of speeding its growth. We all know that as the most successful radio broadcaster in the Pacific Islands' largest nation, it should be constantly turning in a higher profit than the Fiji operation. That goal continues to elude us.

The broad strategy we have adopted is for the PNG FM board to give more direct support to the PNG management team. This is about decentralization and enhancing local authority. We are also increasingly taking advantage of Suva's very experienced management team who are supporting their counterparts in PNG with training and advice.

William has stepped down as PNG chair but remains a board member. He will be active in following his transition brief as executive director.

Long time PNG director and former general manager Peter Aitsi has taken up the post of chair. He is well known and respected across Papua New Guinea.

Fiji-based director Pramesh Sharma continues as a director of PNG FM.

Adrian Au has resigned as gm in PNG after 17 years; he has agreed to become company secretary.

The man in the hot seat is Charles Taylor who has been confirmed as new general manager after holding the post of deputy general manager for the last three years.

We look to Charles to improve the bottom line with the support of his board and talented staff.

Charles started as a part-time announcer in 1995. For 22 years he progressed to the point of holding various senior management positions before his transfer to PNG.

William has developed a succession plan for the entire group, capitalizing on the blending of skills suited for the unique needs of a radio broadcaster. We have had a good degree of success in developing talent internally and will obviously draw on this aspect for succession arrangements.

From a Suva-based one station enterprise, we have evolved into a trans-Pacific business, with regular contact and visits by senior employees between Suva and Port Moresby. That is the foundation we must build from as we engage on this landmark restructuring for the future of the group.

You will have seen the results for 2016 as laid out in our annual report. There is no need for me to talk in detail about them. The auditors are with us if you seek clarifications.

I will just say that it was a year of contrast between the record result we achieved in Fiji and the performance in PNG.

Our balance sheet is healthy. The cash position is strong and the gearing ratio sound. You can read about the prudent action we have taken to manage the impact of losses from our investment in Paradise Cinemas. The current news from Paradise is more positive with a small EBITDA surplus for the first quarter. That may improve in April.

PNG FM still has to contend with a challenging business climate although we are tracking well ahead of last year. The extent of the 2016 downturn was shown in sales reductions for many businesses of between 15 to 20 per cent. PNG however did much better than that with radio advertising sales down 11.5%.

A new forecast for the economy suggests the worst has passed, with improvements anticipated in a number of sectors. Like most other businesses in PNG we remain positive about long-term prospects.

On our agenda for this year is consideration of when we will start to move on the sale of part of our 100 per cent shareholding in PNG FM to local investors. This has been something we have discussed over the years and the time may be right for actively pursuing this. As of now we anticipate this share initiative to happen over the next two years.

In Fiji we are fixed on our target of maintaining the level of profitability we accomplished in 2016.

Thank you very much for listening. If everything goes according to our intentions, I will probably be addressing you at next year's AGM. That really would be my farewell!

Matt Wilson

Chairman

10/5/2017.