

Statement to the South Pacific Stock Exchange

30th May 2018

COMMUNICATIONS FIJI LTD FAREWELLS

CO-FOUNDER AND BOARD CHAIRMAN



**Communications
Fiji Limited**

parent company of:
Fiji: FM96, Legend FM,
Navtarang, Radio Sargam,
VITI FM, Total Events Company,
CFL CinemADS & fjiivillage.com

PNG: Nau FM, Yumi FM
& Legend FM

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The South Pacific's largest independent broadcast company Communications Fiji Ltd today said farewell to co-founder and retiring Board Chairman Matt Wilson at its Annual General meeting.

Newly appointed Chairman and fellow founder Mr. William Parkinson said that the retirement of Mr. Wilson was a sad day for the company but at the same time it was part of an important transition process currently underway in the company.

The meeting expressed gratitude to Mr. Wilson for his 33 years' service to Communications Fiji Ltd. "We wouldn't be here today without Matt's contributions at critical times during the company's history" said Mr. Parkinson.

Commenting on the 2017 results Mr. Parkinson said the Group profit of \$2,922,934 after tax set new records for the company and that shareholders also received dividend in 2017 of 20 cents per share plus a special dividend of 33 cents paid from the proceeds of the sale of the company's shares in iPAC Communications Fiji Ltd.

Looking to the future Mr. Parkinson said that the company was already debt free in Fiji and expected the CFL Group to be entirely debt free by the end of 2018. "These are exciting times. We are at a cross roads and our focus this year is to look for new investment opportunities for the company. In the meantime we expect our core radio businesses in Fiji and Papua New Guinea to continue to grow in 2018" said Mr. Parkinson.



William Parkinson
Chairman



Jyoti Khatri
Group Financial Controller

Statement to shareholders from incoming Chairman William Parkinson

Thank you Matt

The outgoing Chairman has already outlined in this year's Annual Report the highlights of the year ended December 31st 2017.

Shareholders..... this is a final step in a transition process that has been underway for some time. As a board we recognize that my move from Managing Director to Chairman is one that has potential repercussions across the group.

I want to thank Matt for his patience in allowing us the time to prepare the organization for the change.

In particular focus has been on shifting reporting responsibilities to the main CFL board from the Managing Director to the Fiji management team. We have also strengthened the PNG FM board and increased their governance role .This was part of a general reorganization of our PNG operations under General Manager Charles Taylor that included the appointment of Jyoti Khatri as Group Financial Controller and Doris Southwick as Group Sales Director.

In addition I have been working to exit CFL from non-core investments. We were able to sell our remaining investment in iPAC Communications Ltd last year at a nice gain and shareholders enjoyed the benefit of this courtesy of the special dividend paid early this year.

We are now actively working to exit from our investment in Paradise Cinemas Ltd.

The CFL group can now focus on our core radio and related revenue centers in Fiji and PNG in addition to our 50% shareholding in 231 Waimanu Rd Ltd. I believe we will see the benefit of this in the coming year with positive results coming from Fiji and Papua New Guinea.

Shareholders will note from the Annual Report that our Fiji business has been debt free since late last year and we expect PNG FM to be in the same position late in 2018.

So we find ourselves in an interesting place.

Our biggest task in 2018 is to map a path forward for the company. Shareholders can be assured that we have learnt important lessons from the past and we will not be straying from our core business.

Your board and management team has spent a lot of time over the last year focusing on compliance. Today we approved our new articles of association and we are working with the South Pacific Stock Exchange to prepare for new regulations governing listed companies expected later this year.

I was particularly proud that CFL was named, ahead of significantly larger organizations, the inaugural SPSE listed company of the year in 2017.

CFL prides itself on its long history of innovation and resourcefulness. To put it bluntly we think differently at CFL. We recognize that we live in an increasingly regulated environment but we are committed to maintaining the culture that saw us grow from a single station Suva's FM96, barely reaching Pacific Harbor, to the region's largest independent broadcast organization. I believe we can combine the discipline of compliance with our restless innovative spirit to continue to deliver exceptional results for shareholders.

Finally I would like to personally thank outgoing Chair and co-founder Matt Wilson

From that very first day when you took a huge chance on, as you have shared so many times an arrogant young man with a dream, you have always had my back providing me with support, guidance and the occasional kick in the pants! None of us would be here without you!

As I have said your patience through this transition period has been much appreciated and shareholders can rest assured that thanks to your leadership and vigorous scrutiny from the board we are ready to take this step forward.

These are exciting times and equipped with the regions most experienced broadcast management team and a committed and highly qualified board CFL is ready to take full advantage of them.



William Parkinson

Chairman