

COMMUNICATIONS (FIJI) LIMITED **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 30th Annual General Meeting of the members of Communications (Fiji) Limited will be held at 10am on Tuesday, the 12th of May 2015, at 231 Waimanu Road, Suva to transact the following business:

AGENDA

General Business

Minutes of the Previous Meetings held on 7th of May 2014:

To receive, consider and adopt the minutes of the previous Annual general Meeting held on 7th May 2014 as correct record of the meeting. (Minutes were read and confirmed)

Ordinary business:

Item 1 Adoption of Financial Statements for the year ended 31st December 2014

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 2014. (The financials were adopted and received by shareholders 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. (Mr Pramesh Sharma was re-appointed by shareholders)
- (b) Ms Shaenaz Voss retires by rotation in accordance with Article 108 of the Articles of Association of the Company, and being eligible offers herself for re-appointment as a director of the company. (Ms Shaenaz Voss was re-appointed by shareholders)

Item 3 Appointment of Auditors

The board proposes that M/s. Ernst & Young, Chartered Accountants, be appointed auditors of the company for the year 2015 and that the board be authorized to fix their remuneration. (Ernst & Young was re-appointed as auditors for 2015 by shareholders)

Item 4 Declaration of Dividends

The board recommends to adopt the 2nd interim dividend of \$284,640 (8 cents per share) as final dividend for the year 2014 bringing the total dividends declared to 13cents. (2nd Interim Dividend was adopted as final dividend for the year 2014)

Other Business;

Any other business brought up in conformity with the Articles of Association of the company.

By order of the Board of Directors,



Jyoti Solanki
Company Secretary

Dated: 21st April 2015
Suva, Fiji Islands

11/05/2015

**Speech by Communications (Fiji) Limited Chairman, Matt Wilson,
at 2015 Annual General Meeting,
Tuesday, May 12, 2015**

THANK YOU VERY MUCH FOR ATTENDING THIS ANNUAL MEETING. I WELCOME YOU ON BEHALF OF THE BOARD.

AS I SHALL BE EXPLAINING SHORTLY IT IS A SPECIAL GATHERING FOR COMMUNICATIONS FIJI; WE ARE MAKING A SMALL PIECE OF CFL'S HISTORY.

FIRST, LET ME SUMMARISE LAST YEAR'S GROUP PERFORMANCE.

WE CAME IN WITH A GOOD RESULT, WHICH IS DETAILED IN THE ANNUAL REPORT. NET PROFIT WAS \$1,474,957 FROM SALES OF \$13,224,193. THAT REPRESENTED EARNINGS PER SHARE OF 41.45 CENTS WHICH RATES VERY WELL AGAINST OTHER LISTED COMPANIES.

WE REGISTERED A RECORD RESULT FROM FIJI OPERATIONS OF \$1,368,161, A RISE OF MORE THAN 42 PER CENT OVER 2013. 2014 WAS EXCEPTIONAL IN FIJI BECAUSE OF THE ELECTIONS IN SEPTEMBER, MARKING A RETURN TO PARLIAMENTARY DEMOCRACY.

THE ELECTIONS GENERATED NEW ADVERTISING INCOME. BUT EVEN WITHOUT THIS, WE SAW A GROWTH IN REVENUE AND PROFIT SIGNIFYING A LIFT IN CONSUMER AND BUSINESS CONFIDENCE.

PNG FM LTD, OUR TOTALLY-OWNED SUBSIDIARY, MADE AN AFTER-TAX PROFIT CONTRIBUTION OF \$892,410, UP SLIGHTLY FROM 2013. WE ARE CONTINUING TO SEE THE POSITIVE RESULTS OF THE CONSOLIDATION POLICIES IMPLEMENTED TO TAKE THE COMPANY THROUGH A DIFFICULT PERIOD CAUSED BY THE STRAIN AND PRESSURE OF RAPID GROWTH.

FLUCTUATIONS IN THE VALUE OF THE KINA ON CURRENCY MARKETS ARE A FACTOR IN PNG RESULTS. THESE FLUCTUATIONS HAVE AN INFLUENCE ON THE CONSOLIDATED GROUP BALANCE SHEET.

THE KINA IS STILL TRADING AT A LOW LEVEL AGAINST THE FIJI DOLLAR.

BUT WHEN FUNDS START TO FLOW INTO PNG FROM EXPORTS OF GAS AND NEW MINERAL RESOURCES WE WILL SEE A RISE IN THE KINA. THIS WILL PRODUCE A POSITIVE EFFECT FOR US.

YOU WILL NOTE THAT THE OVERALL BALANCE SHEET OF CFL IS SOUND. THERE IS A VERY HEALTHY DIFFERENCE BETWEEN ASSETS AND LIABILITIES. TOTAL ASSETS STOOD AT \$14,391,762 AT YEAR'S END, WITH TOTAL LIABILITIES AT \$3,276,627. THAT GAVE THE COMPANY A NET BOOK VALUE OF \$11,115,135. THERE IS A DIFFERENCE OF COURSE BETWEEN BOOK VALUE AND MARKET VALUE.

THE DEBT-EQUITY RATIO OF 19 PER CENT IS WELL BELOW OUR POLICY BENCHMARK OF 40 PERCENT.

SHAREHOLDERS NATURALLY MEASURE A COMPANY BY ITS ABILITY TO PAY REGULAR DIVIDENDS. IN THE 13 YEARS SINCE CFL BECAME A PUBLIC COMPANY, OUR DIVIDEND STREAM HAS REACHED JUST OVER \$4 MILLION. LAST YEAR THE BOARD APPROVED A TOTAL DIVIDEND OF 13 CENTS PER SHARE.

THE SHARE PRICE IS ANOTHER INDICATOR OF THE COMPANY'S VALUE AND APPEAL TO INVESTORS. IT HAS MADE STRONG GAINS AND BY DECEMBER WAS AT \$4.10c PER SHARE. CURRENTLY IT IS \$4.15c.

YOU MAY HAVE READ THAT THE TELECOMMUNICATIONS AUTHORITY OF FIJI APPROVED OUR APPLICATION FOR RENEWAL OF THE COMPANY'S BROADCAST LICENCE. IT WAS GRANTED FOR A PERIOD OF 15 YEARS. THE APPROVAL WAS INDISPENSIBLE FOR CFL. WE NOW HAVE THE CERTAINTY WE REQUIRE FOR OPERATIONS AND FUTURE PLANNING.

INCLUDED IN THAT IS THE \$700,000 WE SHALL BE INVESTING THIS YEAR IN STRENGTHENING AND EXPANDING TRANSMISSION NETWORKS FOR WHAT IS THE BIGGEST COMMERCIAL BROADCASTER IN THE PACIFIC ISLANDS.

OUR AIM, AS ALWAYS, IS TO GIVE LISTENERS IN FIJI AND PAPUA NEW GUINEA THE BEST COVERAGE AND SOUND QUALITY.

A TEBBUTT MEDIA SURVEY AGAIN REAFFIRMED OUR POSITION OF MARKET LEADERSHIP. THE SURVEY SHOWED THAT 85.1 PER CENT OF RADIO LISTENERS TUNED INTO ONE OF OUR FIVE FIJI STATIONS OVER A SEVEN DAY PERIOD.

NOW PLEASE GO TO THE PICTURES ON PAGE 39 OF THE ANNUAL REPORT. THAT HUGE CROWD AT ALBERT PARK FOR THE CFL NEW YEAR EVENT IS AN ELOQUENT TESTIMONY TO THE POWER OF OUR STATIONS. PEOPLE CAME IN THEIR THOUSANDS - AS THEY DO ANNUALLY - BECAUSE THEY ACCEPTED THE CFL INVITATION TO CELEBRATE NEW YEAR. AND THEY TRUSTED US. THEY KNEW THEY WOULD HAVE A GOOD TIME WITH THEIR FRIENDS AND FAMILIES.

IN THE ANNUAL REPORT I REFER TO THE VIDEO STREAMING OF A LEADERS' DEBATE IN THE ELECTION. THAT WAS AN IMPORTANT ADVANCE FOR THE COMPANY, PART OF AN INITIATIVE TO BUILD A MULTI MEDIA PRESENCE IN THE MARKET. THIS WILL UTILISE THE RADIO STATIONS, FIJI VILLAGE.COM AND OTHER DIGITAL PLATFORMS.

SOME STATISTICS UNDERSCORE THIS EMERGING ASPECT OF THE BUSINESS. EACH MONTH FIJI VILLAGE.COM AVERAGES CLOSE TO 105,000 UNIQUE USERS, WHO REGISTER JUST UNDER 400,000 VISITS, AND 1.6 MILLION PAGE VIEWS. THE NUMBERS PEAKED DURING THE ELECTIONS, ADDING IN FACEBOOK, TWITTER AND YOUTUBE AND 24 HOURS COVERAGE DURING THE COUNT.

A RECORDING OF THE LEADERS' BROADCAST ON YOUTUBE ATTRACTED 46,000 VIEWERS. WE BELIEVE THIS WAS A RECORD FOR A YOUTUBE VIDEO FROM FIJI.

MORE RECENTLY THE SEVENS COACH BEN RYAN CAME TO THE STUDIO FOR AN EXTENSIVE INTERVIEW AND TALK BACK. THIS WAS ALSO VIDEO LIVE STREAMED INTERNATIONALLY.

THESE PATH-BREAKING DEVELOPMENTS ARE ABOUT ADDING VALUE TO WHAT WE DO FOR OUR AUDIENCES AND ADVERTISERS, INCREASING OUR REACH AND STAYING AT THE LEADING EDGE OF A FAST-CHANGING INDUSTRY.

OUR JOINT VENTURE, THROUGH PNG FM, IN PARADISE CINEMAS IN PORT MORESBY CONTINUES TO PRESENT SUBSTANTIAL CHALLENGES. THE RATIONALE FOR THE INVESTMENT WAS CLEAR AND STILL STANDS. PNG, LARGEST COUNTRY IN THE REGION, WITH AN ECONOMY ENJOYING ROBUST GROWTH, DID NOT HAVE A CINEMA BUSINESS. THERE WAS THEREFORE AN OPPORTUNITY TO TAKE THE LEAD AND THE OBVIOUS LOCATION WAS PORT MORESBY, WITH A POPULATION FAR GREATER THAN THAT OF ANY OTHER CITY IN THE ISLANDS.

WE BECAME PART OF A CONSORTIUM WITH THE CITY PHARMACY GROUP, A SUCCESSFUL AND DIVERSIFIED PNG ENTERPRISE, LISTED ON THE PORT MORESBY STOCK EXCHANGE, AND DAMODAR GROUP FIJI LIMITED, CINEMA PIONEERS, WITH UNPARALLELED LOCAL EXPERTISE IN THE INDUSTRY.

PARADISE HAS CINEMAS IN TWO CENTRES IN PORT MORESBY. IT IS HOWEVER STILL IN A LOSS-MAKING PHASE BECAUSE IT IS TAKING LONGER THAN WE THOUGHT TO DEVELOP THE MARKET. THE COMPANY HAS EMBARKED ON A NEW AND VIGOROUS PROMOTIONAL CAMPAIGN. IT IS SEEING SOME IMPROVEMENTS AND WE REMAIN CONFIDENT OF A RETURN ON INVESTMENT OVER THE LONGER TERM. THE BOARD WILL RECEIVE A FURTHER UPDATE WHEN WE HAVE OUR SECOND DIRECTORS' MEETING IN PORT MORESBY IN JUNE.

I MENTIONED THAT YOU ARE CONTRIBUTING THIS MORNING TO A PIECE OF CFL'S HISTORY. THIS IS OUR 30TH ANNUAL MEETING, MEANING IT IS 30 YEARS SINCE WE WENT TO AIR TO BRING A RADIO REVOLUTION TO FIJI.

JULY 5TH MARKS THE ACTUAL DATE OF THE FIRST BROADCAST. WE ARE PLANNING A CELEBRATION OF THAT ANNIVERSARY, NOT SO MUCH TO INDULGE IN A REVERIE OF REMINISCENCES BUT TO LOOK ALSO AT THE FUTURE AND WHAT THAT HOLDS.

WILLIAM AND I SAW EXCITING PROMISE IN 1985 WHEN WE LAUNCHED CFL WITH THAT GIFTED BUSINESSMAN HARI PUNJA.

THE PROMISE REMAINS; IT IS BRIGHT STILL, BUT THE POTENTIAL AND THE ENVIRONMENT ARE VERY DIFFERENT.

I THANK WILLIAM AND FELLOW DIRECTORS SHAENAZ VOSS AND PRAMESH SHARMA FOR THEIR PARTICIPATION IN THE BUSINESS OF THE BOARD. EACH OF US BRINGS DIFFERENT STRENGTHS TO THE MEETINGS AND DECISION-MAKING.

I THANK YOU, THE SHAREHOLDERS, FOR YOUR SUPPORT AND CONFIDENCE.

A SPECIAL TRIBUTE GOES TO THE STAFF AND MANAGEMENT IN FIJI AND PAPUA NEW GUINEA FOR THEIR HARD WORK, EFFORT AND COMMITMENT.

OUR THANKS GO AS WELL TO THE ADVERTISERS WHO KNOW THEY GET A GOOD RETURN ON THEIR DOLLAR FROM CFL.

MOST OF ALL I OFFER OUR RESPECT AND GRATITUDE TO THE LISTENERS. WITHOUT THEM WE WOULD BE NOTHING.

THANKYOU.
