Statement to the South Pacific Stock Exchange

28th March 2025

CFL Announces 2024 results, Dividend and Appointment/Resignation of Directors

Communications Fiji Ltd (CFL)the South Pacific's largest broadcast organisation announced an after-tax profit of $1,041,361 for the year end December 31st, 2024. This was double the previous year's profit of $514,604.

Following this announcement CFL declared a final dividend of nine cents per share. This takes total dividends for the year to fifteen cents per share. Shares will go ex benefit on April 14th, closure of registry April 17th, and the dividend will be paid out April 29th.

Chair, William Parkinson said that the result was a very satisfying one delivered in a challenging market. Results in Fiji were particularly strong, and the company is starting to see an increase in revenue from its various online products.

In Papua New Guinea, the company's 100% subsidiary PNG FM delivered a tax profit of K691,999 (2023 K685,747). "While we have not seen much growth shareholders need to understand that it was delivered in a year when we had a major construction project, the new studio complex. To deliver a stable result, which included some provisioning for capital write offs, was very encouraging. We are already seeing the impact of this investment in the opening months of 2025".

2025 looks promising for Communications Fiji Ltd "We have seen good growth in the first quarter and are receiving a very positive response to ongoing celebrations of our 40th anniversary", said Mr Parkinson.

The Company also announced today the retirement of independent Director Josephine Yee Joy.

Josephine has served as a director for seven years and retires as required by the Companies Charter. Abigail Chang replaces her as an independent Director and Chair of CFL's Audit Risk Committee.

"Josephine's extensive experience has been a great asset to Communications Fiji Ltd helping us navigate through an important time of change. We are fortunate to be able to replace her with Abigail Chang who brings to the board considerable knowledge of the finance industry and board governance not only in Fiji but Papua New Guinea as well."

In addition, the board announced the appointment of Farah Parkinson as an alternate Director to the representatives of Parkinson Holdings, William Parkinson and Sufi Dean.

Chairman

Company Secretary

Communications Fiji Limited
The parent company of;

Fiji:
FM96, Legend FM, Navtarang, RADIO Sargam VITI FM

PNG:
YUMI FM, Nau FM, Legend FM, PNG Haus Bung

Suva
231 Waimanu Road, Suva
Fiji
Private Mail Bag Suva
T (679) 331 4766
F (679) 330 3748

Annexure F: Dividend Declaration

COMMUNICATIONS FIJI LTD

Declaration of Dividend

PART A: Basic Details

Sr. No.	Particulars	Answer
1.	Type of dividend/distribution	✓ Final ☐ Interim ☐ Any other (specify) ________________________
2.	The dividend/distribution relates to	☐ a period of one month. ☐ a period of one quarter. ☐ a period of six months. ✓ a period of twelve months. ☐ any other (specify). ________________________
3.	The dividend/distribution relates to the period ended/ending (date)	31st December 2024
4.	Date of dividend declaration/approval	28th March 2024
5.	Record date	17th April 2025
6.	Date of Ex-benefit	14th April 2025
7.	Date of payment of dividend	29th April 2025
8.	Are the necessary approvals as required under the Companies Act 2015, SPX Listing Rules and Articles of Association of the Company obtained?	YES

PART B: Dividend/distribution amounts per type and other details

	Current Dividend/Distribution	Previous Dividend
Dividend per share	9 cents	7cents
Amount of dividends ($)	320,220	249,060
Turnover	13,427,976	13,263,833
Gross Profit	1,351,151	877,715
Income from other sources	367,685	257,688
Income tax expense	(309,790)	(363,111)
Net profit after tax	1,041,361	514,604

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Director

....

Company Secretary

COMMUNICATIONS FIJI LIMITED AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Contents

In accordance with a resolution of the Board of Directors of Communications Fiji Limited (the Company), the Directors herewith submit the consolidated statement of financial position of the Company and its subsidiaries (collectively the Group) as at 31 December 2024, the related consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended on that date and report as follows:

Directors

Directors at the date of this report are:

William Parkinson	Peter Aitsi
Josephine Yee Joy	Rajesh Patel
Sufinaaz Dean	Arieta Cama - Appointed 21 May 2024

Principal Activity

The principal business activity of the holding company and its subsidiaries during the year was the operation of commercial radio stations which broadcast throughout Fiji and Papua New Guinea, audio/video production and event management, and property ownership, whereas the associate company provided property rental.

There were no significant changes in the nature of the principal activities of the group during the year.

Results

The operating profit of the Group for the year was $1,041,361 (2023: $514,604) after providing for income tax expense of $309,790 (2023: $363,111).

Dividends

The dividends declared and paid during the year was $462,540 (2023: $462,540).

Basis of Accounting - Going Concern

The financial statements of the Group have been prepared on a going concern basis. The Directors consider the application of the going concern principle to be appropriate in the preparation of these financial statements as they believe that the Group has plans and strategies, together with the support of its principal shareholders and lenders to generate required funding to meet its liabilities as and when they fall due over the next twelve months. Accordingly, the Directors believe that the classification and carrying amounts of the assets and liabilities as stated in the financial statements to be appropriate.

Bad Debts and Allowance for Impairment Loss

Prior to the completion of the Group’s financial statements, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment loss. In the opinion of the Directors, adequate allowance has been made for impairment loss.

As at the date of this report, the Directors are not aware of any circumstances, which would render the amount written off for expected credit losses or the allowance for expected credit losses in the Group inadequate to any substantial extent.

Unusual Transactions

In the opinion of the Directors, the results of the operations of the Group during the financial year were not substantially affected by any item, transaction or event of a material unusual nature, nor has there arisen between the end of the financial year and the date of this report, any item, transaction or event of a material unusual nature, likely in the opinion of the Directors, to affect substantially the results of the operations of the Group in the current financial year.

Events Subsequent to Balance Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Other Circumstances

As at the date of this report:

(i) no charge on the assets of the Group has been given since the end of the financial year to secure the liabilities of any other person;

(ii) no contingent liabilities have arisen since the end of the financial year for which the Group could become liable; and

(iii) no contingent liabilities or other liabilities of the Group have become or are likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group to meet its obligations as and when they fall due.

As at the date of this report, the Directors are not aware of any circumstances that have arisen, not otherwise dealt with in this report or the Group's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the Group misleading or inappropriate.

Directors' Benefits

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements or received as the fixed salary of a full-time employee of the Group or of a related corporation) by reason of a contract made by the Group or by a related corporation with the Director or with a firm of which he/she is a member, or with a company in which he/she has a substantial financial interest.

Directors' Interests

Particulars of Directors' interests in the ordinary shares of the holding company during the year are as follows:

	Direct interest	Indirect interest
Thelma Savua	2,000	Nil
Sufinaaz Dean	Nil	924,846
William Parkinson	Nil	924,846

Auditor Independence

The Directors have obtained an independence declaration from the Group's auditor, EY. A copy of the auditor's independence declaration is set out in the *Auditor's Independence Declaration* on page 6.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

Dated this 27th day of March 2025.

....
Director

....
Director

COMMUNICATIONS FIJI LIMITED AND ITS SUBSIDIARY COMPANIES

DIRECTORS' DECLARATION

FOR THE YEAR ENDED 31 DECEMBER 2024

This Directors' Declaration is required by the Companies Act, 2015.

The Directors of the Company have made a resolution that declared:

(i) In the Directors' opinion, the financial statements and notes of the Group for the financial year ended 31 December 2024;

a) comply with International Financial Reporting Standards, and give a true and fair view of the financial position of the Group as at 31 December 2024, its financial performance and cash flows of the Group for the year ended 31 December 2024;

b) have been made out in accordance with the Companies Act 2015.

(ii) they have received declarations as required by Section 395 of the Companies Act 2015;

(iii) At the date of this declaration, in the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

Dated this 27th day of March 2025.

....
Director

....
Director

Pacific House
Level 7
1 Butt Street
P O Box 1359 | Suva | Fiji Islands

Tel: +679 331 4166
ey.com

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF COMMUNICATIONS FIJI LIMITED AND ITS SUBSIDIARY COMPANIES

As the lead auditor for the audit of Communication Fiji Limited and its subsidiary Companies for the financial year ended 31 December 2024, I declare to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the Companies Act 2015 in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Communication Fiji Limited and its subsidiary Companies.

Ernst & Young

Ernst & Young
Chartered Accountants

Minay Prasad
Partner

27 March 2025

Pacific House
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1 Butt Street
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Independent Auditor's Report

To the Shareholders of Communications Fiji Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Communications Fiji Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31 2024, and the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31 2024, and its consolidated financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards accounting standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section* of our report. We are independent of the Group in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)*, together with the Fiji Company's Act 2015 and the ethical requirements that are relevant to our audit of the consolidated financial statements in Fiji. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matters below, our description on how our audit addressed the matters is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to the key audit matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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Independent Auditor's Report *continued*

Key Audit Matters *continued*

Goodwill impairment assessment

Why significant	How our audit addressed the key audit matter
As detailed in note 3(n), the consolidated financial statements include $1.14m of goodwill as at 31 December 2024. In accordance with the requirements of *IAS 36 Impairment of Assets*, the Group performs an annual impairment assessment of goodwill to determine whether the carrying amount exceeds its recoverable amount. As explained in note 16, the recoverable amount of goodwill was assessed by engaging an independent external expert valuer to estimate the fair value less cost to sell of the Cash Generating Unit (CGU) to which the goodwill was allocated being the PNG FM Limited and FM Haus Limited making up a single CGU and the PNG reportable segment. This valuation involved capitalising the maintainable earnings of the reportable segment at an earnings multiple which sought to reflect the risks of the business. There is uncertainty in estimating the recoverable amount of of the CGU and so whether goodwill is impaired as changes in certain assumptions, particularly the assessed amount of maintainable earnings and the multiple applied, can lead to significant changes in the assessment of the recoverable amount. We considered valuation of goodwill as a key audit matter due to the combination of the significance of the goodwill balance and the level of judgment and estimation involved in the impairment assessment process.	In obtaining sufficient appropriate audit evidence we: ► Assessed the appropriateness of the Group's accounting policies for measurement of goodwill; ► Evaluated the competence, objectivity and capabilities of the external valuer engaged by the Group; ► Used team members with valuation experience to challenge the methods and assumptions used in estimating the fair value of the CGU and to assess whether the external valuer's assessed values fell within a reasonable range; ► Evaluated the appropriateness of the earnings multiples used by considering the estimated multiples of comparable listed companies; ► Assessed the key assumptions made in estimating the future maintainable earnings of the CGU such as revenue growth projections and cost structure forecasts. We also compared historical financial data, used as a basis to assess future maintainable earnings, to audited financial reports; ► Assessed the mathematical accuracy of the models and performed sensitivity analysis on key drivers of the independent valuation, being future maintainable earnings and assessed earnings multiples; and ► Considered the adequacy of the Group's disclosures in relation to goodwill considering the requirements of relevant accounting standards.

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Independent Auditor's Report *continued*

Other Information

The Directors and management are responsible for the other information. The other information comprises of financial and non-financial information in the Communications Fiji Limited and its subsidiaries annual report and Directors' report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors and management and Those Charged with Governance for the Consolidated Financial Statements

The Directors and management are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as the Directors and management determine are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors and management are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors and management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements *continued*

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors and management.

- Conclude on the appropriateness of the Directors and management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Independent Auditor's Report *continued*

Report on Other Legal and Regulatory Requirements

In our opinion, the consolidated financial statements have been prepared in accordance with the requirements of the Companies Act 2015 in all material respects, and;

i. we have been given all information, explanations and assistance necessary for the conduct of the audit; and

ii. the Group has kept financial records sufficient to enable the consolidated financial statements to be prepared and audited.

Ernst & Young

Ernst & Young
Chartered Accountants

Minay Prasad
Partner
Level 7, Pacific House
1 Butt Street
Suva, Fiji

27 March 2025

COMMUNICATIONS FIJI LIMITED AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 $	2023 $
Revenue	7(a)	13,427,976	13,263,833
Other revenue	7(b)	194,062	135,167
Salaries and employee benefits	7(c)	(4,858,482)	(4,376,672)
Depreciation and amortisation	7(d)	(2,260,472)	(2,582,091)
Net impairment reversal on trade receivables		545	23,815
Other expenses	7(e)	(4,775,150)	(5,330,407)
Profit from operations		1,728,479	1,133,645
Finance costs	7(f)	(550,951)	(378,451)
Finance income	7(f)	-	2,250
Share of profit of associate or joint venture	15	173,623	120,271
Profit before income tax		1,351,151	877,715
Income tax expense	8 (a)	(309,790)	(363,111)
Net profit for the year		**1,041,361**	**514,604**
Other comprehensive income			
Other comprehensive (expense)/income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operation	24	(420,185)	37,202
Other comprehensive income for the year		(420,185)	37,202
Total comprehensive income for the year		**621,176**	**551,806**
Earnings per share - cents	9	29.27	14.46

The accompanying notes form an integral part of this Consolidated Statement of Profit or Loss and Other Comprehensive Income.

COMMUNICATIONS FIJI LIMITED AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	2024 $	2023 $
Current assets			
Cash and cash equivalents	12	843,192	976,539
Trade receivables	11	2,650,983	2,678,650
Inventories	14	-	36,239
Prepayments and other assets	13	873,610	574,756
Current tax asset	8(b)	397,118	299,977
Total current assets		**4,764,903**	**4,566,161**
Non-current assets			
Investment in joint venture	15	3,403,662	3,430,040
Intangible assets	16	1,241,278	1,236,675
Property, plant and equipment	17	15,428,706	11,308,609
Right-of-use assets	18	1,951,070	2,942,356
Deferred tax assets	8(c)	669,473	895,206
Total non-current assets		**22,694,189**	**19,812,886**
Total assets		**27,459,092**	**24,379,047**
Current liabilities			
Trade and other payables	20	1,221,225	1,247,525
Contract liabilities	25	1,700	219,911
Employee benefit liabilities	23	152,845	189,222
Interest-bearing borrowings	21	857,489	276,031
Lease liabilities	19	639,071	674,759
Total current liabilities		**2,872,330**	**2,607,448**
Non-current liabilities			
Employee benefit liabilities	23	23,246	27,027
Interest-bearing borrowings	21	5,696,702	1,881,042
Deferred tax liability	8(c)	803,878	998,905
Lease liabilities	19	1,462,352	2,422,677
Total non-current liabilities		**7,986,178**	**5,329,651**
Total liabilities		**10,858,508**	**7,937,099**
Net assets		**16,600,584**	**16,441,948**
Shareholders' equity			
Share capital	22	3,619,500	3,619,500
Foreign currency translation reserve	24	(1,401,223)	(981,038)
Retained earnings		14,382,307	13,803,486
Total equity		**16,600,584**	**16,441,948**

The accompanying notes form an integral part of this Consolidated Statement of Financial Position.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 $	2023 $
Operating activities			
Receipts from customers		13,124,305	13,319,361
Payments to suppliers and employees		(9,987,591)	(9,928,544)
Interest and bank charges paid		(550,951)	(378,451)
Income tax paid		(392,947)	(459,028)
Net cash from operating activities		**2,192,816**	**2,553,338**
Investing activities			
Proceeds from sale of plant and equipment		103,574	26,227
Acquisition of property, plant and equipment		(5,789,177)	(3,263,585)
Acquisition of intangible assets		(36,420)	(4,610)
Interest income received		-	2,250
Proceeds from redemption of term deposits		-	500,000
Dividends received from the associate		200,000	100,000
Net cash flows used in investing activities		**(5,522,023)**	**(2,639,718)**
Financing activities			
Dividends paid to equity holders of the parent		(462,540)	(462,540)
Loan proceeds		4,866,312	775,159
Loan repayments		(348,214)	(233,703)
Payment for lease liability - principal portion only		(1,029,066)	(1,150,073)
Net cash flows firom/(used in) financing activities		**3,026,492**	**(1,071,157)**
Net (decrease)/increase in cash held		(302,715)	(1,157,537)
Cash and cash equivalents at the beginning of the year		976,539	2,188,537
Effects of exchange rate changes on opening cash balances		169,368	(54,461)
Cash and cash equivalents at the end of the year	12	**843,192**	**976,539**

The accompanying notes form an integral part of this Consolidated Statement of Cash Flows.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 $	2023 $
Retained earnings			
Balance at the beginning of the year		13,803,486	13,751,422
Net profit for the year		1,041,361	514,604
Dividends declared	10	(462,540)	(462,540)
Balance at the end of the year		14,382,307	13,803,486
Foreign currency translation reserve			
Balance at the beginning of the year		(981,038)	(1,018,240)
Exchange differences on translation of foreign operation		(420,185)	37,202
Balance at the end of the year	24	(1,401,223)	(981,038)
Share capital			
Balance at the beginning of the year		3,619,500	3,619,500
Balance at the end of the year	22	3,619,500	3,619,500
Total equity		**16,600,584**	**16,441,948**

The accompanying notes form an integral part of this Consolidated Statement of Changes in Equity.

1. General Information

a) Corporate Information

The consolidated financial statements of Communications Fiji Limited and its subsidiary companies, PNG FM Limited and FM Haus Ples Limited (the Group) for the year ended 31 December 2024 were authorised for issue with a resolution of the Directors on 27th March 2025. Communications Fiji Limited (the holding company) is a limited liability company incorporated and domiciled in Fiji whose shares are publicly traded on the South Pacific Stock Exchange.

b) Principal activity

The principal business activity of the holding company and its subsidiaries during the year was the operation of commercial radio stations which broadcast throughout Fiji and Papua New Guinea, audio/video production and event management, and property ownership, whereas the associate company provided property rental.

There were no significant changes in the nature of the principal activities of the group during the year.

2. Basis of preparation

a) Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention, except as otherwise stated. Historical cost is based on the fair values of the consideration given in exchange for assets. All values are presented in Fijian dollars and are rounded to the nearest dollar, unless otherwise stated.

In the application of International Financial Reporting Standards (IFRS), management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of IFRS that have material effects on the financial statements and estimates with a risk of material adjustments in the future periods are disclosed, where applicable, in the relevant notes to the financial statements.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are critical to the financial statements are disclosed in Note 5.

b) Statement of compliance

The financial statements of the Group have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board (IASB) and in compliance with the requirements of the Fiji Companies Act, 2015.

2. Basis of preparation (*continued*)

c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the holding company and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed during the year are included in profit or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss; and
- reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

2. Basis of preparation (*continued*)

c) Basis of consolidation (*continued*)

On consolidation, the subsidiary company PNG FM Limited's and FM Haus Ples Limited's assets and liabilities have been translated at the rate of exchange ruling at balance date. Revenue and expense accounts have been translated using the average of the exchange rates ruling at the end of each month during the current financial year. The rate used to translate the assets and liabilities of PNG FM was PGK 1.8502: FJD 1 (2023: PGK 1.7164: FJD 1) while the average rate used to translate revenue and expense accounts was PGK 1.6441:FJD 1 (2023: PGK 1.5271:FJD 1).

d) Changes in accounting policies

New standards, interpretations and amendments effective during the year

New and amended standards that have been adopted in the annual financial statements for the year ended 31 December 2024, but have not had a material effect on the Group are:

- Amendments to IAS 1: Classification of Liabilities as Current or Non Current.
- Amendments to IFRS 16: *Lease Liability in a Sale and Leaseback;*
- Amendments to IAS 7 and IFRS 7: *Supplier Finance Arrangements*.

New standards, interpretations and amendments issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Association's financial statements are disclosed below. The Association intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. These amendments are not expected to have a material impact on the Association.

New standards and amendments	Effective date
Lack of exchangeability – Amendments to IAS 21	1 January 2025
Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	1 January 2026
Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027

Based on the preliminary analysis, the new standards will not have a significant impact on the financial position or financial result of the Group when they are adopted.

Changes in accounting policies and disclosures

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. These amendments did not have any material impact on the Group.

Changes in accounting policies	Impact on the Association
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants -	No material impact
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	No material impact
Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	No material impact

e) Basis of accounting - Going concern

The financial statements of the Group have been prepared on a going concern basis. The Directors consider the application of the going concern principle to be appropriate in the preparation of these consolidated financial statements as they believe that the Group has plans and strategies, together with the support of its principal shareholders and lenders to generate required funding to meet its liabilities as and when they fall due over the next twelve months. Accordingly, Directors believe that the classification and carrying amounts of the assets and liabilities as stated in the financial statements to be appropriate.

2. Basis of preparation (*continued*)

f) Comparatives

Where necessary comparatives figures have been re-grouped to conform with changes in presentation in the current year.

3. Summary of material accounting policies

The accounting policies adopted by the Group are stated to assist in a general understanding of the consolidated financial statements. The accounting policies adopted are consistent with those of the previous year except as stated otherwise.

a) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level (CGU). Such intangibles are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the indefinite useful life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

	Software
Useful lives	Finite (10 - 13 years)
Amortisation method used	Amortised on a straight-line basis over the estimated useful life
Internally generated or acquired	Acquired

b) Investment in Associate or Joint Venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

3. Summary of material accounting policies *(continued)*

b) Investment in Associate or Joint Venture *(continued)*

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains or losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the consolidated statement of profit or loss and other comprehensive income and represents profit or loss after tax.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss as 'Share of profit of associate or joint venture' in profit or loss.

Upon loss of significant influence over the associate or joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence, the fair value of the retained investment and proceeds from disposal is recognised in profit or loss and other comprehensive income.

c) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or other groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired assets, except for property previously revalued where the revaluation was taken to equity. In this case, the impairment is recognised in equity up to the amount of any previous revaluation.

3. Summary of material accounting policies (*continued*)

c) Impairment of non-financial assets (*continued*)

The following criteria are also applied in assessing impairment of specific assets:

Goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units, to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of other assets in the CGU on a pro rata basis. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

Intangible assets

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 December either individually or at the cash generating unit level, as appropriate.

Associate and joint venture

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss of the Group's investment in its associate or joint venture. The Group determines at each balance date whether there is any objective evidence that the investment in associate or joint venture and the acquisition cost requires impairment and recognises the amount in profit or loss.

d) Financial Instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at Fair Value Through Profit or Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

3. Summary of material accounting policies (*continued*)

d) Financial Instruments (*continued*)

(ii) Classification and subsequent measurement (*continued*)

Financial assets *(continued)*

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an instrument-by-instrument basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest rate method. The 'effective interest rate' (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset; or the amortised cost of the financial liability. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

3. Summary of material accounting policies (*continued*)

d) Financial Instruments (*continued*)

(ii) Classification and subsequent measurement (*continued*)

Financial assets (*continued*)

Financial assets: Reclassifications (*continued*)

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its consolidated statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

3. Summary of material accounting policies (*continued*)

d) Financial Instruments (*continued*)

(iii) Derecognition (*continued*)

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Modifications of financial assets

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see Note (3(d) (iii))) and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower (see Note 3(e)), then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income (see Note 3(f)).

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the balances and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e) Impairment of financial instruments

The Group recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost. No impairment loss is recognised on equity investment.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

3. Summary of material accounting policies (*continued*)

e) Impairment of financial instruments (*continued*)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimates of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive); and
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the companies on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

3. Summary of material accounting policies (*continued*)

e) Impairment of financial instruments (*continued*)

Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

f) Finance income and finance costs

The Group's finance income and finance costs include:

- interest income on term deposits;
- bank administration and interest charges; and
- interest expense on lease liabilities.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

g) Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with maturity of three months or less. For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

h) Trade and other payables

Liabilities for trade payables and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the Group.

3. Summary of material accounting policies (*continued*)

i) Property, plant and equipment

Property, plant and equipment are stated at deemed cost less accumulated depreciation and any impairment in value. The principal depreciation rates in use for the current and comparative period are:

Buildings	2 - 10%
Plant and equipment	7% - 20%
Motor vehicles	18% - 25%
Freehold Land	0%

Profit and loss on disposal of property, plant and equipment are taken into account in determining profit or loss for the year.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of property, plant and equipment is greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Impairment losses are recognised in profit or loss.

j) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

3. Summary of material accounting policies (*continued*)

j) Leases (*continued*)

Group as lessee (*continued*)

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the items of the lease and the type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Assets held under other leases were classified as operating leases and were not recognised in the Group's consolidated statement of financial position. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

k) Revenue

The Group recognises revenue from selling goods or services to customers at an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services. Revenue is recognised at an amount that reflects the consideration that the Group is expected to be entitled to in exchange for transferring goods or services to a customer, using a five-step model for each revenue stream as prescribed in IFRS 15. The five-step model is as follows:

(i) Identification of the contract;
(ii) Identification of separate performance obligations for each good or service;
(iii) Determination of the transaction price;
(iv) Allocation of the price to performance obligations; and
(v) Recognition of revenue.

3. Summary of material accounting policies (*continued*)

k) Revenue *(continued)*

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer.

Nature and timing of satisfaction of performance obligations and significant payment terms

Revenue recognition is based on the satisfaction of performance obligations and an assessment of when control is transferred to the customer. The transaction price allocated to these performance obligations are stated net of any sales taxes and agency commissions.

Customer contracts vary across the Group and may contain a variety of performance obligations. Under IFRS 15, the Group must evaluate whether goods or services are transferred over time or at a point in time for each performance obligation.

Revenue class	**Revenue recognition**	Measure of progress
Radio advertising	The advertising contracts are short-term in nature and include a number of “spots” that are delivered over the term of the arrangement. For broadcast of commercials on the radio, the performance obligation is identified at the contract level as it represents a promise to deliver an agreed number of spots, at an agreed price per spot and along with other specifications. Each performance obligations (i.e. spots delivered) is satisfied over time as the customer receives and consumes the benefits simultaneously the spots are aired.	Number of spots aired.
Digital/ internet advertising	The advertising contracts are short-term in nature and include the number of days the respective customer's banners and/or logos are displayed on the Company's managed website over the term of the arrangement. The performance obligation is identified at the contract level as it represents a promise to display customer banners/logos for an agreed number of days at an agreed price per day and along with other specifications. Each performance obligations is satisfied over time as the customer receives and consumes the benefits over the agreed time.	Time elapsed.

3. Summary of material accounting policies (*continued*)

k) Revenue *(continued*)

Nature and timing of satisfaction of performance obligations and significant payment terms (continued)

A summary of how the key classes of revenue are recognised is provided below:

Revenue class	**Revenue recognition**	Measure of progress
Audio/video production	The contracts are short-term in nature and may include multiple promises or activities to be executed such as pre-production, production, and post-production related activities. Each of these activities or promises in the contract are considered separate performance obligations and the price is agreed with the customer for each of these performance obligations and promises. Each performance obligation is satisfied over time because the Company has no alternative use of the commercial produced as it cannot be redirected to another customer without significant rework and cost. Additionally, under the contractual arrangements, the Company has a right to payment for costs incurred to date.	Time elapsed.
Event management	The contracts are short-term in nature and may include multiple promises or activities to be executed such as hire and set-up of equipment and event management and/or organising services. Each of these activities or promises in the contract are considered separate performance obligations and price is agreed with the customer for each of these performance obligations and promises. Each performance obligation is satisfied as follows: a. Hire and set-up of equipment - over time as the customer receives and consumes the benefits when the equipment are used. b. Event management/organising services - point in time which is at the completion of the event that has been organised.	a. Time elapsed. b.Point in time.

The Group also determines whether its performance obligation is to provide the goods or services to media agencies as the Group’s customers, or whether the Group’s customers are the third-party advertisers (principal versus agent). The Group’s customers are media agencies and accordingly advertising revenue is recognised net of agency commission as this is treated as payments made to a customer.

Customer contracts are generally less than one year in duration, as are all standard payments terms. Invoices are issued monthly and are usually payable within 30 days thus there is no significant financing component within the Company’s operations.

The transaction price is determined based on the agreed terms of the contract and is fixed given price concessions and discounts are negotiated during the quotation process.

3. Summary of material accounting policies (*continued*)

k) Revenue *(continued)*

Contract assets

A contract asset is the right to consideration in exchange for goods and services transferred to the customer. If the Company meets the performance obligation by transferring goods and services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Dividends

Revenue is recognised when the shareholders' right to receive the payment is established.

l) Employee benefits

Annual leave

Provision is made for annual leave to be payable to employees on the basis of statutory requirement in employment contract.

Long-service leave

The liability for long-service leave is recognised in the provision for employee entitlements and measured as the present value of expected future payments to be made in respect to services provided by employees up to the reporting date. Consideration is given to future wage/salary rates, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date.

m) Foreign currencies

The consolidated financial statements are presented in Fijian dollars, which is the holding company’s functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at balance date. All differences are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value is determined.

3. Summary of material accounting policies (*continued*)

m) Foreign currencies (*continued*)

The assets and liabilities of foreign operations are translated into Fijian dollars at the rate of exchange ruling at balance date whilst the financial performance is translated at the weighted average exchange rate for the year. The exchange difference arising on translation are taken directly to a separate component of equity. On disposal of the foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

n) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Financial details of the Goodwill is recorded in note 16.

o) Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at balance date.

3. Summary of material accounting policies (*continued*)

o) Taxes (*continued*)

Current income tax (*continued*)

Current income tax relating to items recognised directly in equity is recognised in equity and not in comprehensive income.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from goodwill impairment or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiary, associates and interest in joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that it is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date. Deferred tax relating to items recognised directly in equity is recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes related to the same taxable entity and the same taxation authority.

Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the acquisition of the asset or as part of the expense item as applicable; and

3. Summary of material accounting policies (*continued*)

o) Taxes (*continued*)

Sales tax (*continued*)

- receivables and payables are stated with the amount of sales tax included.

The net amount of sales taxes recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

p) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that the Group incurs in connection with the borrowing of funds.

q) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes invoice value plus associated costs incurred in bringing each product to its present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make a sale.

4. Risk management

The Group's activities expose it to a variety of financial risks: market risk (foreign exchange risk), credit risk and liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Risk management is carried out by executive management. Executive management identifies, evaluates and monitors financial risks in close co-operation with the operating units. The Board of Directors provide policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

a) Financial risks

The main financial risks to the Group are the following:

i. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group has investments in Papua New Guinea. The movement in the Kina/Fiji dollar exchange rates are recorded in equity and will be realised on disposal of the investment. The Group has transactional currency exposures. Such exposures arises from purchases by the Group in currencies other than Fijian dollars.

4. Risk management (*continued*)

a) Financial risks (*continued*)

i. Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in the PNG exchange rate, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

	Change in PNG rate	Effect on profit before tax	Effect on total equity
		$	$
2024	+5%	(16,068)	(130,640)
	-5%	17,760	144,391
2023	+5%	(16,329)	(248,832)
	-5%	18,047	275,025

ii. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by management on a regular basis.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk.

Net impairment reversal on financial assets amounting to $545 (2023: $23,815) was recognised in profit or loss for the year.

Trade and other receivables

The Group uses an allowance matrix to measure the ECLs of trade and other receivables from individual customers, which comprise a large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

4. Risk management (*continued*)

a) Financial risks (*continued*)

ii. Credit risk (*continued*)

Trade and other receivables (*continued*)

The following table provides information about the exposure to credit risk and ECLs for trade and other receivables from individual customers:

	Weighted-average loss rate %	Gross carrying amount $	Loss allowance $
31 December 2024			
Current (not past due)	2.70%	1,191,203	32,145
30 days past due	3.58%	780,619	27,914
60 days past due	8.50%	359,943	30,581
More than 90 days past due	16.41%	490,319	80,460
		2,822,084	171,100
Debtors specifically assessed		52,828	52,828
		2,874,912	223,928

	Weighted-average loss rate %	Gross carrying amount $	Loss allowance $
31 December 2023			
Current (not past due)	2.36%	1,288,813	30,416
30 days past due	3.99%	865,941	34,513
60 days past due	9.33%	255,698	23,861
More than 90 days past due	14.86%	419,313	62,325
		2,829,765	151,115
Debtors specifically assessed		119,019	119,019
		2,948,784	270,134

Loss rates are based on actual credit loss experience over the past years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. Scalar factors are based on actual and forecast GDP.

The movement in the allowance for impairment loss in respect of trade receivables was as follows:

	2024 $	2023 $
Balance at 1 January	270,134	287,413
Charge for the year	-	82,664
Debtors written off against allowance	(41,462)	-
Reversed during the year	(545)	(106,479)
Translation adjustment	(4,199)	6,536
Balance at 31 December	223,928	270,134

4. Risk management (*continued*)

a) Financial risks (*continued*)

ii. Credit risk (*continued*)

Cash and cash equivalents

The Group held cash and cash equivalents of $843,192 at 31 December 2024 (2023: $976,539). Cash are held with bank and financial institutions, which have sound credit ratings.

The Group considers that its cash have low credit risk based on the external credit ratings of the counterparties.

iii. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to ensure availability of funding. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Contractual undiscounted cash flows			
	Carrying amount $	Total $	Less than a year $	1 to 5 years $	5+ years $
At 31 December 2024					
Trade and other payables	1,221,225	1,221,225	1,221,225	-	-
Interest-bearing borrowings	6,554,191	6,703,554	1,119,109	3,662,227	1,922,218
Lease liability	2,101,423	3,180,074	751,083	1,197,405	1,231,586
	9,876,839	11,104,853	3,091,417	4,859,632	3,153,804
At 31 December 2023					
Trade and other payables	1,247,525	1,247,525	1,247,525	-	-
Interest-bearing borrowings	2,157,073	2,702,364	428,870	1,572,431	701,063
Lease liability	3,097,436	3,491,581	724,866	1,507,966	1,258,749
	6,502,034	7,441,470	2,401,261	3,080,397	1,959,812

iv. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing borrowings. The level of debt is disclosed in Note 21.

4. Risk management (*continued*)

iv. Interest rate risk (*continued*)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rates as follows:

	Increase/ (decrease) in basis points	Effect on profit before tax
2024	+10 bp	(60,863)
	- 10 bp	60,863
2023	+10 bp	(21,571)
	- 10 bp	21,571

b) Other risks

i. Operational risks

Operational risk is the risk of loss arising from systems failure, human error, and fraud. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial crisis. The Group cannot expect to eliminate all operational risk, however through a control framework and by monitoring and responding to potential risks, the Group is able to manage risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment procedures.

ii. Regulatory risks

The Group's profitability can be impacted by regulatory agencies established which govern the business sector in Fiji and Papua New Guinea.

Additionally, the salaries and wages payable to workers are subject to the wages regulations and employment legislations. Licensing authorities in respective countries regulate the licensing aspects required for operations.

5. Critical accounting estimates and judgements

In the application of the Group's accounting policies, which are described in Note 3, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year and in future are discussed below.

Note 3(c) - Impairment of non-financial assets
Note 3(e) – Impairment of financial instruments
Note 3(i) - Depreciation of property, plant and equipment

6. Segment information

The holding company and its subsidiary, PNG FM Limited operates predominantly in the radio broadcasting services industry. The holding company's other subsidiary, FM Haus Ples Limited is currently constructing a commercial property in PNG. For management purposes, the Group is organised into business units based on its geographical location and the company's ability to generate cash flows independently. Since FM Haus does not generate cash flows independently and is reliant on PNG FM Limited, both are reported as a single segment. For this reason the Group has two reportable segments, Fiji and PNG.

The Executive Management Committee is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

The following summary describes the operations of each reportable segment.

Reportable segments	**Company**	**Operations**
Fiji	Communications Fiji Limited	Operation of commercial radio stations which broadcast throughout Fiji, audio/video production and event management.
Papua New Guinea	PNG FM Limited	Operation of three commercial FM radio stations which broadcast throughout Papua New Guinea, audio/video production and event management.
Papua New Guinea	FM Haus Ples Limited	Construction of a commercial property.

Geographical segments

The following tables present revenue and profit information and certain asset and liability information regarding geographical segments for the years ended 31 December 2024 and 31 December 2023.

Year ended 31 December 2024	**PNG**	**Fiji**	**Eliminations**	**Total**
	$	**$**	**$**	**$**
Revenue				
External sales	5,737,205	7,690,771	-	13,427,976
Results				
Segment result	1,041,717	686,762	-	1,728,479
Finance costs	(477,239)	(73,712)	-	(550,951)
Share of profit of joint venture	-	173,623	-	173,623
Profit before income tax	564,478	786,673	-	1,351,151
Income tax expense	(184,750)	(125,040)	-	(309,790)
Net profit	379,728	661,633	-	1,041,361

Year ended 31 December 2024	**PNG**	**Fiji**	**Eliminations**	**Total**
	$	**$**	**$**	**$**
Assets and liabilities				
Segment assets	21,986,643	11,973,708	(11,412,490)	22,547,861
Goodwill allocated to PNG FM Limited	-	-	1,507,569	1,507,569
Investment in joint venture	-	3,403,662	-	3,403,662
Total assets	21,986,643	15,377,370	(9,904,921)	27,459,092
Segment liabilities	16,801,624	3,317,691	(9,260,807)	10,858,508
Total liabilities	16,801,624	3,317,691	(9,260,807)	10,858,508

6. Segment information (*continued*)

Year ended 31 December 2024	PNG	Fiji	Eliminations	Total
	$	$	$	$
Other segment information				
Capital expenditure:				
- property, plant and equipment	4,761,297	1,027,880	-	5,789,177
- intangible assets	10,916	25,504	-	36,420
Amortisation of intangible assets	1,480	29,892	-	31,372
Depreciation - property, plant and equipment	414,534	776,577	-	1,191,111
Depreciation - right-of-use assets	601,293	436,696	-	1,037,989
(Reversal) /allowance for impairment loss - receivables	(7,006)	6,461	-	(545)
Cash flows				
Operating activities	1,600,563	878,980	(286,727)	2,192,816
Investing activities	(4,715,674)	(806,349)	-	(5,522,023)
Financing activities	3,172,628	(432,863)	286,727	3,026,492

Year ended 31 December 2023	PNG	Fiji	Eliminations	Total
	$	$	$	$
Revenue				
External sales	6,194,696	7,069,137	-	13,263,833
Results				
Segment result	751,324	436,171	(53,850)	1,133,645
Finance costs	(225,395)	(153,056)	-	(378,451)
Finance income	-	2,250	-	2,250
Share of profit of joint venture	-	120,271	-	120,271
Profit before income tax	525,929	405,636	(53,850)	877,715
Income tax expense	(140,514)	(222,597)	-	(363,111)
Net profit	385,415	183,039	(53,850)	514,604

Year ended 31 December 2023	PNG	Fiji	Eliminations	Total
	$	$	$	$
Assets and liabilities				
Segment assets	14,503,652	12,742,022	(7,804,236)	19,441,438
Goodwill allocated to PNG FM Limited	-	-	1,507,569	1,507,569
Investment in joint venture	-	3,430,040	-	3,430,040
Total assets	14,503,652	16,172,062	(6,296,667)	24,379,047
Segment liabilities	9,278,177	4,297,268	(5,638,346)	7,937,099
Total liabilities	9,278,177	4,297,268	(5,638,346)	7,937,099

6. Segment information (*continued*)

Year ended 31 December 2023	PNG	Fiji	Eliminations	Total
Other segment information	**$**	**$**	**$**	**$**
Capital expenditure:				
- property, plant and equipment	2,012,158	1,251,427	-	3,263,585
- intangible assets	425	4,185	-	4,610
Amortisation of intangible assets	4,665	32,306	-	36,971
Depreciation - property, plant and equipment	513,363	880,081	-	1,393,444
Depreciation - right-of-use assets	769,938	381,738	-	1,151,676
(Reversal)/ Allowance for impairment loss - receivables	(112,248)	88,433	-	(23,815)
Cash flows				
Operating activities	1,549,157	1,207,884	(203,703)	2,553,338
Investing activities	(1,998,116)	(641,602)	-	(2,639,718)
Financing activities	(344,304)	(930,556)	203,703	(1,071,157)

	2024	2023
7. Revenue and expenses	**$**	**$**
Revenue, expenses and finance costs for the year include the following:		
a) Revenue		
Radio advertising	10,506,080	9,553,506
Digital/internet advertising	531,584	441,203
Event management	2,154,299	3,002,112
Audio/video production	236,013	267,012
Total revenue from contracts with customers	13,427,976	13,263,833
Geographical markets		
Fiji	7,690,771	6,820,131
Papua New Guinea	5,737,205	6,443,702
Total revenue from contracts with customers	13,427,976	13,263,833
Timing of revenue recognition		
Goods and services transferred at a point in time	2,154,299	3,002,112
Services transferred over time	11,273,677	10,261,721
Total revenue from contracts with customers	13,427,976	13,263,833
b) Other revenue		
Other income	123,393	131,103
Gain on disposal of assets	70,669	4,064
	194,062	135,167
c) Salaries and employee benefits		
Superannuation and Fiji National University levy	414,646	277,073
Salaries and wages	3,849,852	3,425,272
Staff commission and bonus	244,267	200,519
Staff training	78,824	77,069
Other staff cost	270,893	396,739
	4,858,482	4,376,672

	2024	2023
7. Revenue and expenses (*continued*)	**$**	**$**
d) Depreciation and amortisation		
Depreciation of property, plant and equipment	1,191,111	1,393,444
Amortisation of right-of-use assets	1,037,989	1,151,676
Amortisation of intangible assets	31,372	36,971
	2,260,472	2,582,091
e) Other expenses		
Advertising and promotions	65,946	56,910
Agency commission	85,833	94,961
APRA copyright fees	117,283	65,267
Auditors remuneration - audit fees	78,750	68,400
Electricity	485,733	437,489
Event management costs	906,801	1,531,254
Fuel and oil	128,819	171,212
Insurance	321,331	265,782
Directors' remuneration	214,386	207,206
Leases payments - short term and low value	33,141	61,590
Other professional services	205,335	34,673
Travel costs	154,385	238,726
Other operating expenses	1,977,407	2,096,937
	4,775,150	5,330,407
f) Finance costs and income		
Finance costs		
Bank charges	24,928	17,728
Interest on bank loan	389,391	133,335
Interest on lease liability	136,632	227,388
	550,951	378,451
Finance income		
Interest income	-	2,250

8. Income tax

a) Income tax expense

The prima facie income tax payable on profit is reconciled to the income tax expense as follows:

	2024	2023
Accounting profit before income tax	1,351,151	877,715
Prima facie tax thereon: - Fiji rate of 25%	196,668	101,409
- PNG rate of 30%	169,344	157,778
Tax effect of non-deductible items	(21,738)	12,908
Tax losses not recognised during the year	12,350	19,094
Under provision of income tax expense in prior year	(46,834)	43,125
Tax effect of change in Fiji's tax rate on deferred taxes	-	28,797
Income tax expense attributable to operating profit	309,790	363,111

8. Income tax (*continued*)

a) Income tax expense (*continued*)

The major components of income tax expense for the years ended 31 December 2024 and 2023 are:

	2024 $	2023 $
Consolidated profit or loss		
Current income tax:		
Current income tax charge	298,917	338,105
Adjustments in respect to current income tax from previous year	16,540	57,253
Deferred tax:		
Relating to origination and reversal of temporary differences	(5,667)	(61,044)
Tax effect of change in Fiji's tax rate on deferred taxes	-	28,797
Income tax expense reported in the statement of profit or loss	309,790	363,111

b) Current tax asset

	2024 $	2023 $
Opening balance	299,977	224,100
Income tax / withholding tax paid	333,433	403,368
Tax liability for the year	(298,917)	(338,105)
Over provision of current tax in prior year	16,540	(21,712)
Other adjustments	-	(23,981)
Withholding tax credits	58,224	36,446
Translation adjustment	(12,139)	19,861
Total current tax asset	397,118	299,977

c) Deferred tax

Deferred tax assets/(liabilities) at 31 December relates to the following:

	2024 $	2023 $
Allowance for impairment loss	58,864	44,804
Employee entitlements	50,549	71,607
Accelerated depreciation for tax purposes	(283,646)	(256,370)
Lease liabilities	560,060	778,795
Right of use assets	(520,232)	(742,535)
Net deferred tax liability	(134,405)	(103,699)

Represented on the consolidated statement of financial position as:

	2024 $	2023 $
Deferred tax asset	669,473	895,206
Deferred tax liability	(803,878)	(998,905)
	(134,405)	(103,699)

Unrecognised deferred tax assets

Deferred tax asset has not been recognised in respect of tax losses incurred by the Group's subsidiary FM Haus Ples Limited , because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom. As per PNG's tax rules, the tax losses incurred can be carried forward for a maximum seven years.

9. Earnings per share

	2024 $	2023 $
Operating profit after income tax	1,041,361	514,604
Weighted average number of shares outstanding	3,558,000	3,558,000
Basic earnings per share - cents	29.27	14.46

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of shares outstanding during the year.

There are no convertible redeemable preference shares for the Group. There have been no transaction involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

10. Dividends paid and proposed

	2024 $	2023 $
Declared and paid in year:		
Final dividend for 2022: 13 cents	-	462,540
Final dividend for 2023: 13 cents	462,540	-
Dividends declared and paid	462,540	462,540

11. Trade receivables

	2024 $	2023 $
Trade receivables	2,874,911	2,948,784
Less: allowance for expected credit loss	(223,928)	(270,134)
	2,650,983	2,678,650

Trade receivables are non-interest bearing and are generally on 30-90 day terms.

12. Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at 31 December:

	2024 $	2023 $
Cash at bank (i)	843,192	976,539

(i) Cash at bank earns interest at floating rates based on daily bank deposit rates.

13. Prepayments and other assets

	2024 $	2023 $
Refundable deposits	150,677	176,670
Prepayments	201,862	180,483
Other receivables	521,071	217,603
	873,610	574,756

14. Inventories

	2024 $	2023 $
Goods in transit	-	36,239

15. Investment in joint venture

Investment in 231 Waimanu Rd Holdings Pte Limited

The holding Company has a shareholding of 50% interest in 231 Waimanu Rd Holdings Pte Limited, a company involved in property management. The Company's investment in 231 Waimanu Rd Holdings Pte Limited is accounted for using the equity method. Summarised financial information of 231 Waimanu Rd Holdings Pte Limited, based on its financial statements, and reconciliation with the carrying amount of the investment are set out below:

	2024 $	2023 $
Current assets	151,075	297,493
Non-current assets	7,724,921	7,641,160
Current liabilities	(49,737)	(62,765)
Non-current liabilities	(1,018,935)	(1,015,809)
Net assets	6,807,324	6,860,079
Proportion of the Group's ownership	50%	50%
Carrying amount of investment	3,403,662	3,430,040

Summarised statement of profit or loss of 231 Waimanu Rd Holdings Pte Limited:

	2024 $	2023 $
Revenue	559,890	559,890
Expenses	(92,541)	(93,311)
Profit before tax	467,349	466,579
Income tax expense	(120,104)	(226,037)
Profit for the year	347,245	240,542
Total comprehensive income for the year	347,245	240,542
Group's share of profit for the year	173,623	120,271
Total share of profit from associate	173,623	120,271

231 Waimanu Rd Holdings Pte Limited had no contingent liabilities or capital commitments as at 31 December 2024 (2023: $nil).

16. Intangible assets

	Goodwill $	Software $	Total $
Gross carrying amount			
Balance at 1 January 2024	1,507,569	474,278	1,981,847
Additions	-	36,420	36,420
Disposal	-	(39,357)	(39,357)
Other adjustments	-	-	-
Translation adjustment	-	(4,269)	(4,269)
At 31 December 2024	1,507,569	467,072	1,974,641
Accumulated amortisation and impairment			
Balance at 1 January 2024	370,569	374,603	745,172
Amortisation charge for the year	-	31,372	31,372
Disposal	-	(39,357)	(39,357)
Translation adjustment	-	(3,824)	(3,824)
At 31 December 2024	370,569	362,794	733,363
Net written down value:			
At 31 December 2024	1,137,000	104,278	1,241,278

16. Intangible assets (*continued*)

i) Impairment testing of goodwill and intangibles with indefinite useful lives

Goodwill acquired through a business combination with indefinite life has been allocated to the subsidiary acquired, PNG FM Limited. PNG FM Limited and FM Haus Ples Limited make up a single CGU and the PNG reportable segment, for impairment testing as follows:

	2024	2023
	$	$
Carrying amount of goodwill	1,137,000	1,137,000

Goodwill amounting to $1,507,569 less subsequent impairment allowance of $370,569 has been recorded by the Group in respect to acquisition of subsidiary, PNG FM Limited.

The Group performs an annual impairment assessment of goodwill to determine whether the carrying amount exceeds its recoverable amount. The recoverable amount of goodwill was assessed by engaging an independent external expert valuer to estimate the fair value less cost to sell of the Cash Generating Unit (CGU) to which the goodwill is allocated being the PNG FM Limited and FM Haus Limited making up a single CGU and the PNG reportable segment.

An independent external expert valuation based on Future Maintainable Earnings method was obtained to value the PNG FM Limited business. The valuation involved capitalising the maintainable earnings of the PNG FM at an earnings multiple which sought to reflect the risks of the business. The valuation for FM Hause was performed by management based on Asset-Based Approach where the market value of the relevant material tangible assets was obtained by engaging a registered property valuer based in PNG.

Based on the goodwill impairment assessment performed, the Group concluded that Goodwill is not impaired.

17. Property, plant and equipment

	Land and buildings $	Plant and equipment $	Motor vehicles $	Work in progress $	Total $
Gross carrying amount					
At 1 January 2024	516,039	13,829,706	1,072,006	4,920,999	20,338,750
Additions	4,418	2,155,503	146,521	3,482,735	5,789,177
Disposals	(34,751)	(1,357,367)	(186,407)	-	(1,578,525)
Transfers	8,403,734	-	-	(8,403,734)	-
Translation adjustment	(358,001)	(320,988)	(30,498)	-	(709,487)
At 31 December 2024	8,531,439	14,306,854	1,001,622	-	23,839,915
Accumulated depreciation					
At 1 January 2024	431,064	7,940,561	658,516	-	9,030,141
Depreciation charge for the year	97,971	969,059	124,081	-	1,191,111
Transfers	-	-	-	-	-
Disposals	(29,943)	(1,278,625)	(143,841)	-	(1,452,409)
Translation adjustment	(7,510)	(318,289)	(31,835)	-	(357,634)
At 31 December 2024	491,582	7,312,706	606,921	-	8,411,209
Net written down value:					
At 31 December 2024	**8,039,857**	**6,994,148**	**394,701**	**-**	**15,428,706**
At 31 December 2023	**84,975**	**5,889,145**	**413,490**	**4,920,999**	**11,308,609**

As at 31 December 2024, the gross carrying amount of fully depreciated property, plant and equipment that is still in use is $3,713,970 (2023: $3,558,842).

18. Right-of-use assets

The Group has lease contracts for office premises, dedicated internet service lines and transmission sites used in its operations. Leases of transmission sites generally have lease terms between 3 and 99 years, leases for dedicated service lines generally have lease terms between 1 to 3 years and office premises generally have lease terms of 1 to 6 years. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options.

The Group also has certain leases of office equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

18. Right-of-use assets (*continued*)

	Office premises $	Dedicated internet service line $	Transmission sites $	Total $
Gross carrying amount				
At 1 January 2024	955,990	213,025	1,773,341	2,942,356
Additions	324,100	-	419,041	743,141
Modifications	-	-	(1,250)	(1,250)
Depreciation charge for the year	(563,764)	(28,214)	(446,011)	(1,037,989)
Disposals	(717,900)	-	(5,215)	(723,115)
Other adjustments	-	-	-	-
Translation adjustment	33,522	-	(5,595)	27,927
At 31 December 2024	31,948	184,811	1,734,311	1,951,070

19. Leases

	2024 $	2023 $
Lease liabilities		
Maturity analysis – contractual undiscounted cash flows		
Less than one year	751,083	724,866
One to five years	1,197,405	1,507,966
More than five years	1,231,586	1,258,749
Total undiscounted lease liabilities	3,180,074	3,491,581
Lease liabilities included in the statement of financial position at 31 December		
Balance as at 1 January	3,097,436	1,484,230
Additions	743,141	1,852,966
Modification	(10,439)	826,024
Accretion of interest for the year	136,630	191,493
Disposal during the year	(723,115)	-
Less: payments made during the year	(1,165,696)	(1,341,566)
Translation adjustment	23,466	84,289
	2,101,423	3,097,436
Current	639,071	674,759
Non-current	1,462,352	2,422,677
	2,101,423	3,097,436
Amounts recognised in profit or loss		
Depreciation on right-of-use assets	1,037,989	1,151,676
Interest on lease liabilities	136,630	191,493
Short term / variable lease payments	33,141	61,590
	1,207,760	1,404,759
Amounts recognised in the consolidated statement of cash flows		
Total cash outflow for leases (principal and interest)	1,165,696	1,341,566

20. Trade and other payables	2024 $	2023 $
Trade payables	56,636	174,647
VAT payable	69,587	78,249
GST payable	31,941	48,449
Withholding tax payable	54,724	11,798
Accruals and other payables	1,008,337	934,382
	1,221,225	1,247,525

Terms and conditions of the above financial liabilities:
- Trade payables are non-interest bearing and are normally settled on 30 to 60-day terms.
- Other payables are non-interest bearing and have an average term of six months.

21. Interest-bearing borrowings	$	$
Business loan - Westpac Banking Corporation Limited (Communications Fiji Limited)	467,929	-
Business loan - Westpac Banking Corporation Limited (PNG FM Limited)	6,086,262	2,157,073
	6,554,191	2,157,073
Disclosure in the Consolidated Statement of Financial Position:		
Current	857,489	276,031
Non-current	5,696,702	1,881,042
	6,554,191	2,157,073

Reconciliation of movement of liabilities to cash flows from financing activities

	Borrowings $	Lease liabilities $	Total $
Balance at 1 January 2024	2,157,073	3,097,436	5,254,509
Changes from financing cashflows			
Proceeds from borrowing for PNG FM Limited	4,366,312	-	4,366,312
Proceeds from borrowing for Communications Fiji Limited	500,000	-	500,000
Repayment of borrowing by PNG FM Limited	(316,142)	-	(316,142)
Repayment of borrowing by Communications Fiji Limited	(32,071)	-	(32,071)
Payment of lease liabilities, net	-	(1,029,066)	(1,029,066)
Total changes from financing cash flows	4,518,099	(1,029,066)	3,489,033

21. Interest-bearing borrowings (*continued*)

Reconciliation of movement of liabilities to cash flows from financing activities (*continued*)

	Borrowings	Lease liabilities	Total
	$	$	$
Other changes - liability related			
Interest expense incurred by PNG FM Limited	381,276	82,314	463,590
Interest expense incurred by Communications Fiji Limited	8,115	54,318	62,433
Interest paid by PNG FM Limited	(381,276)	(82,314)	(463,590)
Interest paid by Communications Fiji Limited	(8,115)	(54,318)	(62,433)
New lease liabilities	-	743,141	743,141
Disposal of lease liabilities	-	(723,115)	(723,115)
Modification of leases	-	(10,439)	(10,439)
Other adjustments and translation	(120,981)	23,466	(97,515)
Total liability related other charges	(120,981)	33,053	(87,928)
Balance at 31 December 2024	6,554,191	2,101,423	8,655,614

Reconciliation of movement of liabilities to cash flows from financing activities

	Borrowings	Lease liabilities	Total
	$	$	$
Balance at 1 January 2023	1,604,830	1,484,230	3,089,060
Changes from financing cashflows			
Proceeds from borrowing	775,159	-	775,159
Repayment of borrowing by PNG FM Limited	(128,173)	-	(128,173)
Repayment of borrowing by Communications Fiji Limited	(105,530)		(105,530)
Payment of lease liabilities, net	-	(1,150,073)	(1,150,073)
Total changes from financing cash flows	541,456	(1,150,073)	(608,617)
Other changes - liability related			
Interest expense incurred by PNG FM Limited	132,445	85,457	217,902
Interest expense incurred by Communications Fiji Limited	890	141,931	142,821
Interest paid by PNG FM Limited	(132,445)	(85,457)	(217,902)
Interest paid by Communications Fiji Limited	(890)	(141,931)	(142,821)
New lease liabilities	-	1,852,966	1,852,966
Modification of leases		826,024	826,024
Other adjustments and translation	10,787	84,289	95,076
Total liability related other charges	10,787	2,763,279	2,774,066
Balance at 31 December 2023	2,157,073	3,097,436	5,254,509

In 2023 & 2024, the subsidiary company, PNG FM Limited obtained a new loan loan facility from Westpac Banking Corporation Limited for the construction of FM Haus Ples Limited's investment property and to assist in purchasing radio station- studio equipment. During the year PNG FM Limited made a progressive drawdowns of $3,555,589 and $810,723 repectively . The facility is for a term of 10 years and 3 years repectively and is subject to an interest rate of 6.50 p.a & 7% p.a. with agreed monthly repayments of $50,515 & $36,502 repectively and is secured by the following:

(i) Guarantee and indemnity unlimited as to amount given by FM Haus Ples Limited 1-123535 on account of PNG FM Limited 1-18494.

(ii) Registered mortgage given by FM Haus Ples Limited 1-123535 over Allotment 9 Section 225 Hohola, Port Moresby, National Capital District. Crown Lease Volume 27 Folio 6677.

21. Interest-bearing borrowings (*continued*)

(iii) Guarantee and indemnity unlimited as to amount given by Communications (Fiji) Limited 5979 on account of PNG FM Limited 1-18494.

(iv) General security agreement between the Lender and PNG FM Limited 1-18494 over All Debtors Present and After Acquired Property. PPSR No. 1001536396.

(v) General security agreement between the Lender and FM Haus Ples Limited 1-123535 over All Debtors Present and After Acquired Property. PPSR No. 1005897554.

(vi) Registered standard lease schedule by Communication (Fiji) Limited Over:
Gap Filller Equipment - Site 4 (Nayavu Ba)

22. Share capital

As at the end of the financial year, the number of fully paid ordinary shares was 3,558,000. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding-up of the Company in proportion to the number of shares held. Every ordinary shareholder present at a meeting of the Company, in person or by proxy, is entitled to one vote, and upon a poll each ordinary share is entitled to one vote. Ordinary shares have no par value.

	2024 $	2023 $
Issued and paid up capital		
3,558,000 ordinary shares	3,619,500	3,619,500

23. Employee benefit liabilities

	2024 $	2023 $
Current		
Annual leave	95,847	143,743
Long service leave	56,998	45,479
Total current employee benefit liabilities	152,845	189,222
Non-current		
Long service leave	23,246	27,027
Total non-current employee benefit liabilities	23,246	27,027
	176,091	216,249

24. Foreign currency translation reserve

	2024 $	2023 $
Balance as at 1 January	(981,038)	(1,018,240)
Currency translation difference	(420,185)	37,202
Balance as at 31 December	(1,401,223)	(981,038)

Foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

	2024	2023
25. Contract liabilities	**$**	**$**
Advances received	1,700	219,911

In 2023, the contract liability relates to advance provided by a customer on an event management service contract entered by the Group with a customer. The event as per contract arrangement is to occur in January 2024, this has been recognised in 2024.

26. Commitments

a) Capital expenditure commitments

Capital expenditure commitments	2,389,093	5,989,595

27. Contingent liabilities

As at 31 December 2024, the Group had contingent liabilities consisting of bank guarantees that are disclosed in Note 21.

Contingent liabilities exist with respect to the following:

Guarantees given to EFL	8,660	8,660

28. Related party disclosures

a) Parent and ultimate controlling party

As at 31 December 2024 majority of the shares of Communications Fiji Limited is owned by Parkinson Holdings Pte Limited and as a result is the ultimate controlling party of the Group. The ultimate controlling party does not produce consolidated financial statements available for public use.

b) Directors

The names of persons who were Directors of the holding company at any time during the financial year are as follows:

William Parkinson
Emily Kings - Resigned 21 May 2024
Josephine Yee Joy
Sufinaaz Dean
Peter Aitsi
Rajesh Patel
Prastika Payal - Resigned 7 January 2025
Arieta Cama - Appointed 21 May 2024

c) Ownership interest in related parties

	Country of incorporation and operation	Ownership Interest 2024	Ownership Interest 2023
FM Haus Ples Limited (a)	Papua New Guinea	100%	100%
PNG FM Limited (a)	Papua New Guinea	100%	100%
231 Waimanu Rd Holdings Pte Limited (Associate)	Fiji	50%	50%

(a) The consolidated financial statements includes subsidiary, PNG FM Limited and FM Haus Ples Limited.

28. Related party disclosures (*continued*)

d) Transactions and balances with related parties

Transactions with related parties during the year ended 31 December 2024 and 2023 with approximate transaction values are summarized as follows:

Relationship	Nature of Transaction	2024 $	2023 $
Shareholder related entities			
BSP Life (Fiji Ltd)	Sales	6,950	29,000
Fiji Care Insurance	Medical insurance	70,320	57,171
Associate company			
231 Waimanu Rd	Rental expense	205,465	155,441
Holdings Pte Limited (Associate)	Dividend	200,000	140,000
	Management and administrative fees	11,653	13,526

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

e) Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the year, the General Manager, Chief Financial Officer and Head of Departments were identified as key management personnel. The aggregate remuneration to the executives were:

	2024 $	2023 $
Salaries and short-term employee benefits	989,622	903,245

f) Director's interests in an employee-share incentive plan

No share options have been granted to staff, executives and the non-executive members of the Board of Directors under this scheme.

29. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and a healthy capital ratio in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, polices or processes during the year 31 December 2024 and 31 December 2023.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus debt. The Group's policy is to keep the gearing ratio below 40%. The Group includes net debt, interest-bearing borrowings, trade and other payables less cash and cash equivalents, excluding discounted operations. Capital includes any preference shares, equity attributable to equity holders of the parent less any unrealised gains reserve.

	2024 $	2023 $
Interest-bearing loans and borrowings (Note 21)	6,554,191	2,157,073
Trade and other payables (Note 20)	1,221,225	1,247,525
Less: cash and short-term deposits (Note 12)	(843,192)	(976,539)
Net debt	6,932,224	2,428,059
Equity	16,600,584	16,441,948
Total capital	16,600,584	16,441,948
Capital and net debt	23,532,808	18,870,007
Gearing ratio	29%	13%

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

30. Company details

a) Company incorporation - Communications Fiji Limited

The legal form of the Company is a public company, domiciled and incorporated in the Republic of Fiji under the Fiji Companies Act, 2015.

b) Registered office/Company operation

The Company's operations and registered office is located at 231 Waimanu Road, Suva whilst the subsidiaries are registered and operate in Papua New Guinea. The Joint Venture Entity namely 231 Waimanu Rd Holdings Pte Limited operates from 231 Waimanu Road, Suva.

31. Events subsequent to balance date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.