

## Statement to the South Pacific Stock Exchange

31<sup>st</sup> March 2026

### CFL Announces 2025 results and Dividend

Communications Fiji Ltd (CFL) the South Pacific's largest broadcast organisation announced a group after-tax profit of \$1,549,574 for the year end December 31<sup>st</sup>, 2025, displaying strong growth of 48.8 % from the previous year. This growth was driven by an increase in revenue from targeted marketing campaigns in online products, mainstream radio and events together with close management of operating expenses.

With these results, CFL declared a final ordinary dividend of 9 cents per share. This results in a total annual dividend of 21 cents per share, reflecting an increase of 40% from prior year. Shares will go ex benefit on April 17<sup>th</sup>, closure of registry April 22<sup>th</sup>, and the dividend will be paid out April 30<sup>th</sup>.

Chairman, William Parkinson said that the result was highly satisfactory noting a constantly evolving media market. Performance in Fiji was particularly strong, and the growth in revenue from our various online products reinforces our position as the market leader in this area.

Targeted radio and online campaigns drove both revenue growth and CFL's commitment to being a trusted information source for listeners and viewers. During the year, CFL was awarded the Public Service Broadcasting (PSB) grant, which enabled CFL to deliver a range of targeted campaigns addressing key social, economic, health and environment issues. Collectively, CFL delivered approximately \$1.26 million worth of campaigns focused on raising public awareness and driving meaningful community engagement across these priority areas. "We have learnt a lot from this experience and are now seeing good growth in the public service space in both Fiji and Papua New Guinea" said Mr. Parkinson.

He further noted that the company had refreshed its strategic direction during the year and a number of exciting opportunities are in the pipeline for the year ahead, including strategic investments and initiatives aimed at driving the company's continued growth.

The year marked a significant milestone for CFL as the Company celebrated its 40th Anniversary, reflecting four decades of broadcasting excellence and service to communities across Fiji and the Pacific.

In Papua New Guinea, the company's 100% subsidiary PNG FM delivered an after-tax profit of K902,464, an increase of 30%. "Despite operating in a challenging market environment, PNG FM delivered revenue growth over the prior year, supported by a stable core radio advertising base and continued contribution from emerging digital and non-traditional revenue streams. We are very positive about prospects in this market so watch this space."

Further to the Company's market announcement dated 2 September 2025 regarding the establishment of the Communications Fiji Foundation, the Company wishes to clarify that the Company's annual contribution represents 5% of Communications Fiji Limited's standalone profit after tax (PAT), and not Group PAT as may have been previously referenced. Accordingly, the initial contribution based on the Financial Year 2025 is \$32,921.



Chairman  
William Parkinson



Company Secretary  
Seini Tinaikoro



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  
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## Annexure F: Dividend Declaration

<b>COMMUNICATIONS FIJI LTD</b> <b>Declaration of Dividend</b>
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**PART A: Basic Details**

Sr. No.	Particulars	Answer
1.	Type of dividend/distribution	<input checked="" type="checkbox"/> Final <input type="checkbox"/> Interim <input type="checkbox"/> Any other (specify) _____
2.	The dividend/distribution relates to	<input type="checkbox"/> a period of one month. <input type="checkbox"/> a period of one quarter. <input type="checkbox"/> a period of six months. <input checked="" type="checkbox"/> a period of twelve months. <input type="checkbox"/> any other (specify). _____
3.	The dividend/distribution relates to the period ended/ending (date)	31 <sup>st</sup> December 2025
4.	Date of dividend declaration/approval	31 <sup>st</sup> March 2026
5.	Record date	22 <sup>th</sup> April 2026
6.	Date of Ex-benefit	17 <sup>th</sup> April 2026
7.	Date of payment of dividend	30 <sup>th</sup> April 2026
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	9 cents
Amount of dividends (\$)	320,220	320,220
Turnover	15,007,706	13,427,976
Gross Profit	2,119,424	1,351,151
Income from other sources	297,933	367,685
Income tax expense	(569,850)	(309,790)
Net profit after tax	1,549,574	1,041,361



.....  
**Chairman**

**William Parkinson**



.....  
**Company Secretary**

**Seini Tinaikoro**



# **Communications Fiji Limited**

Consolidated Financial Statements

31 December 2025

COMMUNICATIONS FIJI LIMITED  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

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DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2025

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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 2025, 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
Emily King - Resigned on 21 May 2024	Rajesh Patel
Josephine Yee Joy - Resigned on 28 March 2025	Prastika Payal - Resigned on 7 January 2025
Sufinaaz Dean	Arieta Cama - Appointed 21 May 2024
Abigail Chang - Appointed on 27 March 2025	Sakiusa Bolaira - Appointed on 13 June 2025

#### 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 net profit of the Group for the year was \$1,549,574 (2024: \$1,041,361) after providing for income tax expense of \$569,850 (2024: \$309,790).

#### Dividends

The dividends declared and paid during the year was \$747,180 (2024: \$462,540).

#### Basis of Accounting - Going Concern

The consolidated 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, the Directors believe that the classification and carrying amounts of the assets and liabilities as stated in the consolidated 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 consolidated 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 consolidated 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
Sufinaaz Dean	Nil	924,846
William Parkinson	Nil	924,846

No other directors held/owned interest in ordinary shares of the holding company.

#### 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 5.

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

Dated this 31st day of March 2026.



.....  
Director



.....  
Director

COMMUNICATIONS FIJI LIMITED CONSOLIDATED FINANCIAL STATEMENTS  
DIRECTORS' DECLARATION  
FOR THE YEAR ENDED 31 DECEMBER 2025

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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 consolidated financial statements and notes of the Group for the financial year ended 31 December 2025;
  - a) comply with International Financial Reporting Standards Accounting Standards, and give a true and fair view of the financial position of the Group as at 31 December 2025, its financial performance and cash flows of the Group for the year ended 31 December 2025;
  - 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 31st day of March 2026.



.....  
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 Group ("CFL Group")

As lead auditor for the audit of Communication (Fiji) Limited ("the Holding Company") and its subsidiaries (collectively "the Group") for the financial year ended 31 December 2025, 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 the entities it controlled during the financial year.

  
Ernst & Young  
Chartered Accountants

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

31 March 2026

## 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 (together the Group), which comprise the consolidated statement of financial position of the Group as at December 31, 2025, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows 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 give a true and fair view of, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS accounting standards).

#### 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 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)*, as applicable to audits of financial statements of public interest entities together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Fiji and 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 period. 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.

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
<p>As detailed in note 15 the consolidated financial statements include \$1.14m of goodwill as at 31 December 2025.</p> <p>In accordance with the requirements of IAS 36 <i>Impairment of Assets</i>, the Group performs an annual impairment assessment of goodwill to determine whether the carrying amount exceeds its recoverable amount. As explained in note 15 the recoverable amount of goodwill was assessed by engaging external expert valuers to estimate the fair value less cost to sell of the Cash Generating Unit (CGU) to which the goodwill was allocated being PNG FM Limited and FM Haus Limited making up a single CGU and the PNG reportable segment. The valuation for PNG FM Limited involved capitalizing maintainable earnings at an earnings multiple which sought to reflect the risks of the business and the valuation of FM Haus Limited involved determining fair value of the tangible assets, involving a property valuation after deducting liabilities as at the reporting date. There is inherent uncertainty in estimating the recoverable amount of the CGU, as changes in key assumptions, particularly the maintainable earnings and the applied multiple, can significantly impact the valuation outcome and whether goodwill is impaired. The Group's disclosures are included in Note 15(i) of the financial report, which explain the key assumptions used which could give rise to an impairment of the goodwill balance.</p> <p>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.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>▶ Assessed the appropriateness of the Group's accounting policies for measurement of goodwill;</li> <li>▶ Evaluated the competence, objectivity and capabilities of the external valuers engaged by the Group;</li> <li>▶ Evaluated the appropriateness of the earnings multiples used by considering the estimated multiples of comparable listed companies and assessed whether the external valuer's assessed values fell within a reasonable range;</li> <li>▶ Assessed the key assumptions made in estimating the future maintainable earnings such as revenue growth projections and cost forecasts;</li> <li>▶ Compared the historical financial data, used as a basis to assess future maintainable earnings, to the audited financial results. We also assessed the accuracy of management's previous budgets;</li> <li>▶ 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. We performed a sensitivity analysis in respect of those assumptions which were considered to have the most significant impact on carrying values, to ascertain the extent of changes in those assumptions which either individually or collectively would be required for the goodwill to be impaired. We assessed the likelihood of these changes in assumptions arising.</li> <li>▶ Assessed whether significant valuation assumptions used in the property-based valuation fell within reasonable ranges and the valuation methodologies adopted were appropriate;</li> <li>▶ Assessed key inputs provided by management to the independent property valuers, including comparing the tenancy schedule and specific provisions in the lease agreement to the underlying records maintained by the Company.</li> <li>▶ Considered the adequacy of the Group's disclosures in relation to goodwill considering the requirements of the relevant accounting standards.</li> </ul>

## **Independent Auditor's Report *continued***

### **Other Information**

The Directors and management of the Company are responsible for other information. Other information consists of the information in the Company's Annual Report for the year ended 31 December 2025 other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and, if uncorrected, to take appropriate action to bring the matter to the attention of users for whom our auditor's report was prepared.

### **Responsibilities of management and those charged with governance for the Financial Statements**

The Directors and management are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS accounting Standards and for such internal control as the Directors and management determine is necessary to enable the preparation of 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 have 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 ISAs 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.

## Independent Auditor's Report *continued*

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

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.
- ▶ 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.
- ▶ Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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, related safeguard.

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 year 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  
Chartered Accountants



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

31 March 2026

COMMUNICATIONS FIJI LIMITED CONSOLIDATED FINANCIAL STATEMENTS  
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 \$	2024 \$
Revenue	7(a)	15,007,706	13,427,976
Other revenue	7(b)	151,010	194,062
Salaries and employee benefits	7(c)	(5,423,785)	(4,858,482)
Depreciation and amortisation	7(d)	(2,068,906)	(2,260,472)
Movements in expected credit loss	4(a) (iii)	(20,056)	545
Other expenses	7(e)	<u>(5,089,491)</u>	<u>(4,775,150)</u>
Profit from operations		2,556,478	1,728,479
Finance costs	7(f)	(583,977)	(550,951)
Share of profit in joint venture	14	<u>146,923</u>	<u>173,623</u>
Profit before income tax		2,119,424	1,351,151
Income tax expense	8 (a)	<u>(569,850)</u>	<u>(309,790)</u>
Net profit for the year		<u>1,549,574</u>	<u>1,041,361</u>
Other comprehensive income			
<i>Other comprehensive (expense)/income that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of foreign operation	23	<u>(421,318)</u>	<u>(420,185)</u>
Other comprehensive income for the year		<u>(421,318)</u>	<u>(420,185)</u>
Total comprehensive income for the year		<u>1,128,256</u>	<u>621,176</u>
Basic and diluted earnings per share	9	<u>43.55</u>	<u>29.27</u>

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

COMMUNICATIONS FIJI LIMITED CONSOLIDATED FINANCIAL STATEMENTS  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2025

	Notes	2025 \$	2024 \$
<b>Current assets</b>			
Cash and cash equivalents	12	477,718	843,192
Trade receivables	11	3,219,566	2,650,983
Prepayments and other assets	13	651,383	873,610
Current tax asset	8(b)	95,313	397,118
<b>Total current assets</b>		<b>4,443,980</b>	<b>4,764,903</b>
<b>Non-current assets</b>			
Investment in joint venture	14	3,400,585	3,403,662
Intangible assets	15	1,249,798	1,241,278
Property, plant and equipment	16	15,433,154	15,428,706
Right-of-use assets	17	1,288,865	1,951,070
Deferred tax assets	8(c)	24,829	11,076
<b>Total non-current assets</b>		<b>21,397,231</b>	<b>22,035,792</b>
<b>Total assets</b>		<b>25,841,211</b>	<b>26,800,695</b>
<b>Current liabilities</b>			
Trade and other payables	19	1,424,067	1,221,225
Contract liabilities	24	43,093	1,700
Employee benefit liabilities	22	162,188	152,845
Interest-bearing borrowings	20	836,204	857,489
Lease liabilities	18	580,524	639,071
<b>Total current liabilities</b>		<b>3,046,076</b>	<b>2,872,330</b>
<b>Non-current liabilities</b>			
Employee benefit liabilities	22	23,079	23,246
Interest-bearing borrowings	20	4,705,978	5,696,702
Deferred tax liability	8(c)	244,332	145,481
Lease liabilities	18	840,086	1,462,352
<b>Total non-current liabilities</b>		<b>5,813,475</b>	<b>7,327,781</b>
<b>Total liabilities</b>		<b>8,859,551</b>	<b>10,200,111</b>
<b>Net assets</b>		<b>16,981,660</b>	<b>16,600,584</b>
<b>Shareholders' equity</b>			
Share capital	21	3,619,500	3,619,500
Foreign currency translation reserve	23	(1,822,541)	(1,401,223)
Retained earnings		15,184,701	14,382,307
<b>Total equity</b>		<b>16,981,660</b>	<b>16,600,584</b>

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

COMMUNICATIONS FIJI LIMITED CONSOLIDATED FINANCIAL STATEMENTS  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 \$	2024 \$
Operating activities			
Receipts from customers		14,590,133	13,124,305
Payments to suppliers and employees		(10,154,899)	(9,987,591)
Interest and bank charges paid		(583,977)	(550,951)
Income tax paid	8 (b)	(130,302)	(392,947)
Net cash from operating activities		<u>3,720,955</u>	<u>2,192,816</u>
Investing activities			
Proceeds from sale of plant and equipment		78,204	103,574
Acquisition of property, plant and equipment		(2,179,158)	(5,789,177)
Acquisition of intangible assets	15	(43,710)	(36,420)
Dividends received from the joint venture		150,000	200,000
Net cash flows used in investing activities		<u>(1,994,664)</u>	<u>(5,522,023)</u>
Financing activities			
Dividends paid to equity holders of the parent	10	(747,180)	(462,540)
Loan proceeds		161,572	4,866,312
Loan repayments		(834,050)	(348,214)
Payment for lease liability - principal portion only		(564,426)	(1,029,066)
Net cash flows (used in)/from financing activities		<u>(1,984,084)</u>	<u>3,026,492</u>
Net decrease in cash held		(257,793)	(302,715)
Cash and cash equivalents at the beginning of the year		843,192	976,539
Effects of exchange rate changes on opening cash balances		(107,681)	169,368
Cash and cash equivalents at the end of the year	12	<u><u>477,718</u></u>	<u><u>843,192</u></u>

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

COMMUNICATIONS FIJI LIMITED CONSOLIDATED FINANCIAL STATEMENTS  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 \$	2024 \$
Retained earnings			
Balance at the beginning of the year		14,382,307	13,803,486
Net profit for the year		1,549,574	1,041,361
Dividends declared	10	<u>(747,180)</u>	<u>(462,540)</u>
Balance at the end of the year		<u>15,184,701</u>	<u>14,382,307</u>
Foreign currency translation reserve			
Balance at the beginning of the year		(1,401,223)	(981,038)
Exchange differences on translation of foreign operation		<u>(421,318)</u>	<u>(420,185)</u>
Balance at the end of the year	23	<u>(1,822,541)</u>	<u>(1,401,223)</u>
Share capital			
Balance at the beginning of the year		<u>3,619,500</u>	<u>3,619,500</u>
Balance at the end of the year	21	<u>3,619,500</u>	<u>3,619,500</u>
Total equity		<u><u>16,981,660</u></u>	<u><u>16,600,584</u></u>

*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 2025 were authorised for issue with a resolution of the Directors on 31 March 2026. 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.

b) Statement of compliance

The consolidated 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

c) Significant account judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital management (Note 28)
- Financial instruments risk management and policies (Note 3 (d) & Note 4)
- Sensitivity analyses disclosures (Note 4 (a))

Judgement and Assumptions

In the process of applying the Group's accounting policies, management has made judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements are disclosed in Note 5: Critical Accounting Estimates and Assumptions.

d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the holding company and its subsidiaries and profit share from the joint venture as at 31 December 2025.

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

2. Basis of preparation (*continued*)

d) Basis of consolidation (*continued*)

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

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 and FM Haus Ples was PGK 1.9929: FJD 1 (2024: PGK 1.8502: FJD 1) while the average rate used to translate revenue and expense accounts was PGK 1.7378:FJD 1 (2024: PGK 1.6441:FJD 1).

e) 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 2025, but have not had a material effect on the Group are:

- Amendments to IAS 21: The Effect of Changes in Foreign Exchange Rates
- Amendments to IFRS 7, IAS 1, IAS 36 and IAS 37: *Disclosures about uncertainties in financial statements*

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 Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. The Group is still in the process of assessing the impact of these amendments.

New standards and amendments	Effective date
Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	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

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025. 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 Group
Lack of Exchangeability - Amendments to IAS 21	No material impact

f) Comparatives

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

3. Summary of material accounting policy information

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.

3. Material accounting policies *(continued)*

a) Intangible assets *(continued)*

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 years)
Amortisation method used	Amortised on a straight-line basis over the estimated useful life
Internally generated or acquired	Acquired

b) Investment in Joint Venture

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 joint venture 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 joint venture since the acquisition date. Goodwill relating to the 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 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 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 joint venture are eliminated to the extent of the interest in the joint venture.

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

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

Upon loss of significant influence over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the 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

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indications exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

3. Material accounting policies (*continued*)

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

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

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.

d) Financial Instruments

(i) Recognition and initial measurement

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.

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.

(ii) Classification and subsequent measurement

Financial assets: Classification

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.

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: Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through 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)*

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.

3. Material accounting policies (continued)

d) Financial Instruments (*continued*)

(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.

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. 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.

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.

3. Material accounting policies (continued)

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.

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 and Improvement	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.

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.

3. Material accounting policies (continued)

j) Leases (*continued*)

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.

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. The low-value assets comprise three co-shared site transmitters.

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.

3. 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 is recognised based on the satisfaction of performance obligations and an assessment of when control of the service transfers to the customer. The transaction price allocated to performance obligations excludes sales taxes and is presented net of amounts paid or payable to a customer (or the customer's agent, e.g., a media buying agency), unless such amounts are in exchange for a distinct service the Group receives. When a distinct service is received, the Group recognises an expense at the fair value of that service.

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	<p>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.</p> <p>Each performance obligations (i.e. spots delivered) is satisfied over time as the customer receives and consumes the benefits simultaneously the spots are aired.</p>	Number of spots aired.
Digital/ internet advertising	<p>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.</p> <p>Each performance obligations is satisfied over time as the customer receives and consumes the benefits over the agreed time.</p>	Time elapsed.
Audio/video production	<p>The contracts are short-term in nature and may include multiple promises 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.</p> <p>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 an enforceable right to payment for performance completed to date.</p>	Time elapsed.

3. Material accounting policies (continued)

k) Revenue *(continued)*

A summary of how the key classes of revenue are recognised is provided below: *(continued)*

Revenue class	Revenue recognition	Measure of progress
Event management	<p>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.</p> <p>Each performance obligation is satisfied as follows:</p> <p>a. Hire and set-up of equipment - over time as the customer receives and consumes the benefits when the equipment are used.</p> <p>b. Event management/organising services - revenue is recognised over time as the event management services are performed, since the customer receives and consumes the benefits progressively until the completion of the event.</p>	Time elapsed.

In the Group's advertising arrangements, the end advertiser is typically identified as the customer because it directs the campaign (what/where/when) and obtains the benefit of the media service. Media agencies generally act on behalf of the advertiser to arrange placements. The Group controls the specified advertising service before transfer and therefore acts as principal, recognising revenue gross to the advertiser. Payments to agencies are accounted for in accordance with the paragraph above and they are deductions from revenue unless the agency provides the Group a distinct service (such as coordination/collections) under a separate scope, in which case the fair value of that service is recognised in operating expenses, with any excess recorded as a reduction of revenue.

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.

*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.

3. Material accounting policies (continued)

l) Employee benefits (*continued*)

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.

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) 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 15.

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.

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.

3. Material accounting policies (continued)

o) Taxes *(continued)*

Deferred tax *(continued)*

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 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 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
- 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.

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.

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.

ii. 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	v	Effect on total equity
		\$	\$
2025	+5%	(12.291)	(263.718)
	-5%	13.585	291.478
2024	+5%	(16.068)	(130.640)
	-5%	17.760	144.391

iii. 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 on financial assets amounting to \$20,056 (reversal 2024: \$545) 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*)

iii. 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 2025			
Current (not past due)	2.32%	1,292,802	29,976
30 days past due	3.17%	909,250	28,804
60 days past due	6.57%	587,395	38,593
More than 90 days past due	11.97%	599,225	71,733
		<u>3,388,672</u>	<u>169,106</u>
Debtors specifically assessed		-	-
		<u>3,388,672</u>	<u>169,106</u>
	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
		<u>2,822,084</u>	<u>171,100</u>
Debtors specifically assessed		52,828	52,828
		<u>2,874,912</u>	<u>223,928</u>

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 Group applies the simplified approach to measuring expected credit losses over the lifetime. Receivables are written off when there is no reasonable expectation of recovery, generally when balances are more than 120 days past due and all recovery efforts have been exhausted, or earlier where specific circumstances indicate non-recoverability. Write-offs are recognised against the allowance account, with any subsequent recoveries recognised in profit or loss.

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

	2025 \$	2024 \$
Balance at 1 January	223,928	270,134
Charge for the year	64,464	6,460
Debtors written off against allowance	(70,876)	(41,462)
Reversed during the year	(44,408)	(7,005)
Translation adjustment	<u>(4,002)</u>	<u>(4,199)</u>
Balance at 31 December	<u>169,106</u>	<u>223,928</u>

4. Risk management (*continued*)

a) Financial risks (*continued*)

iii. Credit risk (*continued*)

Cash and cash equivalents

The Group held cash and cash equivalents of \$477,718 as at 31 December 2025 (2024: \$843,192). These funds are held with Westpac Banking Corporation and Bank of the South Pacific, both of which maintain strong credit ratings.

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

iv. 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.

	Carrying amount	Total	Contractual undiscounted cash flows		
			Less than a year	1 to 5 years	5+ years
	\$	\$	\$	\$	\$
At 31 December 2025					
Trade and other payables	1,424,067	1,424,067	1,424,067	-	-
Interest-bearing borrowings	5,542,182	6,365,903	1,038,976	2,672,304	2,654,623
Lease liability	1,420,610	2,764,903	703,271	857,208	1,204,424
	<u>8,386,859</u>	<u>10,554,873</u>	<u>3,166,314</u>	<u>3,529,512</u>	<u>3,859,047</u>
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
	<u>9,876,839</u>	<u>11,104,853</u>	<u>3,091,417</u>	<u>4,859,632</u>	<u>3,153,804</u>

v. 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 20.

*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 \$
2025	+10 bp	(51,556)
	- 10 bp	51,556
2024	+10 bp	(60,863)
	- 10 bp	60,863

4. Risk management (*continued*)

b) Other risks

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
- Note 3(j) - Leases
- Note 4(a) - Foreign currency sensitivity
- Note 4(a) - Interest rate sensitivity
- Note 15 - Sensitivity for Goodwill

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 engaged in the leasing of commercial property in to PNG FM Limited 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. While FM Haus generates rental income, its operations and cash flows are derived solely from PNG FM Limited, accordingly both are reported as a single segment. For this reason the Group has two reportable segments, Fiji and PNG.

The Board of Directors 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 legal entity.

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	Leasing of commercial property to PNG FM Limited.

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6. Segment information (*continued*)

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 2025 and 31 December 2024.

<u>Year ended 31 December 2025</u>	PNG	Fiji	Eliminations	Total
	\$	\$	\$	\$
Revenue				
External sales	5,656,309	9,351,397	-	15,007,706
Other Income	20,856	414,501	(284,347)	151,010
Expenses				
Salaries and employee benefits	(1,706,973)	(3,716,812)	-	(5,423,785)
Depreciation and amortisation	(930,842)	(1,138,064)	-	(2,068,906)
Other operating expenses	(1,947,818)	(3,446,076)	284,347	(5,109,547)
Results				
Segment profit	1,091,532	1,464,946	-	2,556,478
Finance costs	(493,262)	(90,715)	-	(583,977)
Share of profit of joint venture	-	146,923	-	146,923
Profit before income tax	598,270	1,521,154	-	2,119,424
Income tax expense	(207,222)	(362,628)	-	(569,850)
Net profit	391,048	1,158,526	-	1,549,574

Intercompany transactions and balances, which includes management fees charged by CFL to PNG FM Limited, are eliminated on consolidation.

<u>Year ended 31 December 2025</u>	PNG	Fiji	Eliminations	Total
	\$	\$	\$	\$
Assets and liabilities				
Segment assets	11,958,172	11,679,927	(2,334,473)	21,303,626
Goodwill allocated to PNG FM Limited	1,137,000	-	-	1,137,000
Investment in joint venture	-	3,400,585	-	3,400,585
Total assets	13,095,172	15,080,512	(2,334,473)	25,841,211
Segment liabilities	7,017,075	2,595,301	(752,825)	8,859,551
Total liabilities	7,017,075	2,595,301	(752,825)	8,859,551

<u>Year ended 31 December 2025</u>	PNG	Fiji	Eliminations	Total
	\$	\$	\$	\$
Other segment information				
Capital expenditure:				
- property, plant and equipment	953,928	1,225,230	-	2,179,158
- intangible assets	5,187	38,523	-	43,710
Amortisation of intangible assets	2,089	32,116	-	34,205
Depreciation - property, plant and equipment	621,201	850,409	-	1,471,610
Depreciation - right-of-use assets	307,602	255,489	-	563,091
Allowance for impairment loss - receivables	10,857	9,199	-	20,056
Cash flows				
Operating activities	1,297,980	2,301,766	162,791	3,762,537
Investing activities	(904,396)	(1,113,330)	-	(2,017,726)
Financing activities	(1,182,980)	(1,138,565)	(162,791)	(2,484,336)

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6. Segment information (continued)

Geographical segments (continued)

<u>Year ended 31 December 2024</u>	PNG	Fiji	Eliminations	Total
	\$	\$	\$	\$
Revenue				
External sales	5,737,205	7,690,771	-	13,427,976
Other Income	42,214	464,228	(312,380)	194,062
Expenses				
Salaries and employee benefits	(1,684,796)	(3,173,686)	-	(4,858,482)
Depreciation and amortisation	(1,015,828)	(1,244,644)	-	(2,260,472)
Other operating expenses	(2,037,078)	(3,049,907)	312,380	(4,774,605)
Results				
Segment profit	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
<u>Year ended 31 December 2024</u>	PNG	Fiji	Eliminations	Total
	\$	\$	\$	\$
Assets and liabilities				
Segment assets	13,170,169	10,619,460	(1,555,974)	22,233,655
Goodwill allocated to PNG FM Limited	1,137,000	-	-	1,137,000
Investment in joint venture	-	3,430,040	-	3,430,040
Total assets	14,307,169	14,049,500	(1,555,974)	26,800,695
Segment liabilities	7,540,398	3,317,691	(657,978)	10,200,111
Total liabilities	7,540,398	3,317,691	(657,978)	10,200,111
<u>Year ended 31 December 2024</u>	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	1,429,931	(286,727)	2,743,767
Investing activities	(4,715,674)	(806,349)	-	(5,522,023)
Financing activities	3,172,628	(983,814)	286,727	2,475,541

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FOR THE YEAR ENDED 31 DECEMBER 2025

7. Revenue and expenses	2025	2024
	\$	\$
Revenue, expenses and finance costs for the year include the following:		
a) Revenue		
Radio advertising	11,521,291	10,506,080
Digital/internet advertising	1,111,421	531,584
Event management	2,211,686	2,154,299
Audio/video production	<u>163,308</u>	<u>236,013</u>
Total revenue from contracts with customers	<u>15,007,706</u>	<u>13,427,976</u>
During the year, the Group recognised Public Broadcasting revenue of \$1,268,344 received by the Parent Company from the Government of Fiji. The Parent Company earned radio advertising income amounting to \$6,492,796 (2024: \$5,457,668).		
<i>Geographical markets</i>		
Fiji	9,351,397	7,690,771
Papua New Guinea	<u>5,656,309</u>	<u>5,737,205</u>
Total revenue from contracts with customers	<u>15,007,706</u>	<u>13,427,976</u>
<i>Timing of revenue recognition</i>		
Goods and services transferred over time	<u>15,007,706</u>	<u>13,427,976</u>
Total revenue from contracts with customers	<u>15,007,706</u>	<u>13,427,976</u>
b) Other revenue		
Other income	140,599	123,393
Gain on disposal of assets	<u>10,411</u>	<u>70,669</u>
	<u>151,010</u>	<u>194,062</u>
Other income includes calendar income and SMS texting income.		
c) Salaries and employee benefits		
Superannuation and Fiji National University levy	450,437	414,646
Salaries and wages	4,291,367	3,849,852
Staff commission and bonus	304,296	244,267
Staff training	107,432	78,824
Other staff cost	<u>270,253</u>	<u>270,893</u>
	<u>5,423,785</u>	<u>4,858,482</u>
d) Depreciation and amortisation		
Depreciation of property, plant and equipment	1,471,610	1,191,111
Amortisation of right-of-use assets	563,091	1,037,989
Amortisation of intangible assets	<u>34,205</u>	<u>31,372</u>
	<u>2,068,906</u>	<u>2,260,472</u>

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7. Revenue and expenses ( <i>continued</i> )	2025	2024
	\$	\$
e) Other expenses		
Advertising and promotions	84,713	65,946
Agency commission	59,452	85,833
APRA copyright fees	102,742	117,283
Auditors remuneration - audit fees	78,750	78,750
Electricity	472,075	485,733
Event management costs	881,117	906,801
Fuel and oil	136,660	128,819
Hire of Equipment	362,853	334,184
Insurance	334,600	321,331
Directors' remuneration	221,745	214,386
Donation - CFL Foundation	30,000	-
Leases payments - short term and low value	240,031	33,141
Other professional services	157,500	205,335
Repairs and Maintances	315,197	330,155
Royalties	121,435	102,436
Telephone Expense	131,906	152,283
Travel costs	177,964	154,385
Other operating expenses	<u>1,180,751</u>	<u>1,058,349</u>
	<u>5,089,491</u>	<u>4,775,150</u>
f) Finance costs		
<i>Finance costs</i>		
Bank charges	12,421	24,928
Interest on bank loan	460,734	389,391
Interest on lease liability	<u>110,822</u>	<u>136,632</u>
	<u>583,977</u>	<u>550,951</u>
8. Income tax		
a) Income tax expense	\$	\$
The prima facie income tax payable on profit is reconciled to the income tax expense as follows:		
Accounting profit before income tax	<u>2,119,424</u>	<u>1,351,151</u>
Prima facie income tax on the profit before tax *	531,259	366,012
Tax effect of non-assessable income	(33,596)	(21,738)
Tax losses not recognised during the year	66,992	12,350
Under/(Over) provision of income tax expense in prior year	<u>5,195</u>	<u>(46,834)</u>
Income tax expense attributable to operating profit	<u>569,850</u>	<u>309,790</u>
*The prima facie income tax on the profit of Communications Fiji Limited is calculated at 25% of the Company's profit before tax. The Group's subsidiary companies, PNG FM Limited and FM Haus Ples Limited, operate in Papua New Guinea where the applicable corporate income tax rate is 30%. Accordingly, income tax for these subsidiaries has been calculated using the Papua New Guinea tax rate.		
The major components of income tax expense for the years ended 31 December 2025 and 2024 are:		
Consolidated profit or loss		
<i>Current income tax:</i>		
Current income tax charge	480,924	298,917
Adjustments in respect to current income tax from previous year	(8,534)	16,540
Adjustments in respect to deferred tax from previous year	13,729	(63,374)
<i>Deferred tax:</i>		
Relating to origination and reversal of temporary differences	<u>83,731</u>	<u>57,707</u>
Income tax expense reported in the statement of profit or loss	<u>569,850</u>	<u>309,790</u>

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8. Income tax (continued)	2025	2024
	\$	\$
b) Current tax asset		
Opening balance	397,118	299,977
Income tax paid	130,302	392,947
Tax liability for the year	(480,924)	(298,917)
(Under)/ Over provision of current tax in prior year	(8,534)	16,540
Withholding tax credits	46,690	58,224
Translation adjustment	10,661	(71,653)
	<u>95,313</u>	<u>397,118</u>

c) Deferred tax

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

Allowance for impairment loss	44,910	58,864
Employee entitlements	52,566	50,549
Accelerated depreciation for tax purposes	(391,253)	(283,646)
Lease liabilities	416,857	560,060
Right of use assets	(342,583)	(520,232)
	<u>(219,503)</u>	<u>(134,405)</u>

Represented on the consolidated statement of financial position as:

Deferred tax asset	24,829	11,076
Deferred tax liability	(244,332)	(145,481)
	<u>(219,503)</u>	<u>(134,405)</u>

*Unutilized tax losses*

As at 31 December 2025, the Group has unused tax losses of FJD 264,472 (2024: FJD 41,166) incurred by the Group's subsidiary FM Haus Ples Limited for which no deferred tax asset has been recognised. 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	\$	\$
Operating profit after income tax	1,549,574	1,041,361
Weighted average number of shares outstanding	<u>3,558,000</u>	<u>3,558,000</u>
	<u>43.55</u>	<u>29.27</u>

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.

COMMUNICATIONS FIJI LIMITED CONSOLIDATED FINANCIAL STATEMENTS  
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FOR THE YEAR ENDED 31 DECEMBER 2025

10. Dividends paid and proposed ( <i>continued</i> )	2025	2024
	\$	\$
Declared and paid in year:		
Final dividend for 2023: 13 cents	-	462,540
Final dividend for 2024: 9 cents	320,220	-
Interim dividend for 2025: 12 cents	426,960	-
	<u>747,180</u>	<u>462,540</u>

11. Trade receivables	\$	\$
Trade receivables	3,388,672	2,874,911
Less: allowance for expected credit loss	(169,106)	(223,928)
	<u>3,219,566</u>	<u>2,650,983</u>

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:		
Cash at bank and cash on hand (i)	<u>477,718</u>	<u>843,192</u>

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

13. Prepayments and other assets	\$	\$
Refundable deposits	86,810	150,677
Prepayments	72,810	201,862
GST Receivables	491,607	509,710
Other receivables	156	11,361
	<u>651,383</u>	<u>873,610</u>

GST receivable relating to FM Haus is recoverable and can be offset against output GST in the current year and in future periods, up to the statutory recoverability limit of eight years as allowed under PNG GST legislation.

14. 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:

Opening carrying amount of investment	3,403,662	3,430,039
Add: share of profit for year	146,923	173,623
Less: Dividend received	(150,000)	(200,000)
	<u>3,400,585</u>	<u>3,403,662</u>

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14. Investment in joint venture ( <i>continued</i> )	2025	2024
	\$	\$
Summarised statement of profit or loss of 231 Waimanu Rd Holdings Pte Limited:		
Revenue	559,890	559,890
Expenses	(154,029)	(92,541)
Profit before tax	405,861	467,349
Income tax expense	(112,015)	(120,104)
Profit for the year	293,846	347,245
Total comprehensive income for the year	293,846	347,245
Group's share of profit for the year	146,923	173,623

231 Waimanu Rd Holdings Pte Limited had no contingent liabilities or capital commitments as at 31 December 2025 (2024: \$nil). During the year dividend amounting to \$150,000 was received (2024: \$200,000)

15. Intangible assets

	Goodwill	Software	Total
Cost	\$	\$	\$
Balance at 1 January 2024	1,507,569	474,278	1,981,847
Additions	-	36,420	36,420
Disposal	-	(39,357)	(39,357)
Translation adjustment	-	(4,269)	(4,269)
At 31 December 2024	1,507,569	467,072	1,974,641
Balance at 1 January 2025	1,507,569	467,072	1,974,641
Additions	-	43,710	43,710
Disposal	-	(24,209)	(24,209)
Translation adjustment	-	(1,879)	(1,879)
At 31 December 2025	1,507,569	484,694	1,992,263
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
Balance at 1 January 2025	370,569	362,794	733,363
Amortisation charge for the year	-	34,205	34,205
Disposal	-	(24,209)	(24,209)
Translation adjustment	-	(894)	(894)
At 31 December 2025	370,569	371,896	742,465
Net written down value:			
At 31 December 2025	1,137,000	112,798	1,249,798
At 31 December 2024	1,137,000	104,278	1,241,278

Additions during the year primarily relate to multiple upgrades to the Group's software platforms and the development and enhancement of the event management website. These upgrades were acquired from third party suppliers and are intended to improve system functionality, enhance user experience, and support the Group's digital event management capabilities.

During the year, the Group derecognised certain intangible assets that were no longer in use or no longer provided future economic benefits to the Group. These assets consisted of legacy software licences and system applications that had become obsolete due to technological upgrades and changes in operational requirements.

15. Intangible assets (*continued*)

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

Goodwill recognised on acquisition of PNG FM Limited has an indefinite useful life and is tested annually for impairment in accordance with IAS 36 Impairment of Assets. For impairment testing purposes, goodwill is allocated to a single Cash-Generating Unit (CGU), being the combined PNG operations comprising:

- PNG FM Limited, and
- FM Haus Ples Limited, a wholly owned subsidiary of PNG FM Limited.

The Group considers these entities to represent a single CGU because FM Haus Ples exists solely to hold and operate the studio complex utilised by PNG FM, and the economics of both entities are inseparable.

As at 31 December 2025, the carrying amount of goodwill allocated to the CGU was:

	2025	2024
	\$	\$
Carrying amount of goodwill	1,137,000	1,137,000

No other assets of the Group carry goodwill. 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.

Impairment Testing Methodology

The Group determined the recoverable amount of the PNG FM CGU as the fair value less costs of disposal (FVLCD), using valuation methodologies consistent with IFRS 13 Fair Value Measurement.

Impairment testing incorporated two valuation approaches, reflecting the differing nature of the two businesses within the CGU.

1. PNG FM Limited – Future Maintainable Earnings Method (FME)

An independent valuation was obtained in February 2026. The valuation assessed PNG FM using the Future Maintainable Earnings method, capitalising maintainable EBITDA using an earnings multiple ranging from 1.5x to 2.5x, based on market data for radio broadcasting and adjustments for country risk and PNG market factors.

Maintainable EBITDA, based on FY24–FY25 averages, was projected to approximate K3.54 million (FJD 1.88 million). Capitalisation at the adopted range resulted in equity value estimates for PNG FM between K11.3 million (FJD 6 million) and K14.8 million (FJD 7.86 million).

2. FM Haus Ples Limited – Net Tangible Asset Method (NTA)

FM Haus Ples, which owns the studio complex leased to PNG FM, was valued separately using a market-based Net Tangible Assets approach. The property, located at Section 225 Allotment 09, Kunai Street, Port Moresby, was independently valued at K15.5 million (FJD 8.21 million) as at 8 January 2026. This reflects the fair value of land and improvements based on comparable sales evidence, income yield analysis, and market rental assumptions.

Recoverable Amount of the CGU

The recoverable amount of the combined CGU was determined as the sum of:

- PNG FM equity value (FME method)
- FM Haus net tangible asset value

Less: costs of disposal where applicable.

The recoverable amount, expressed in Kina in the valuation reports, translates to a value for which no reasonable change in assumptions would give rise to any impairment.

Based on the independent valuations:

- Recoverable amount (lower end): materially above carrying amount
- Recoverable amount (mid to upper range): substantially above carrying amount

15. Intangible assets (*continued*)

Impairment testing of goodwill and intangibles with indefinite useful lives (continued)

The Group therefore concluded that substantial headroom exists, and the CGU is not impaired.

Key Assumptions

Key assumptions applied in determining recoverable amount included:

- Maintainable EBITDA derived from historical trading
- Earnings multiples between 1.5× and 2.5× derived from international broadcast industry benchmarks adjusted for PNG-specific risks
- Property market value based on independent external valuation
- No foreseeable adverse changes in licensing, market share, or regulatory settings
- No significant deterioration in economic conditions beyond those already incorporated into valuation assumptions.

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16. Property, plant and equipment

	Land and buildings \$	Plant and equipment \$	Motor vehicles \$	Work in progress \$	Total \$
Cost					
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
At 1 January 2025	8,531,439	14,306,854	1,001,622	-	23,839,915
Additions	232,632	1,661,643	284,883	-	2,179,158
Disposals	-	(869,028)	(57,553)	-	(926,581)
Translation adjustment	(576,577)	(314,310)	(19,162)	-	(910,049)
At 31 December 2025	8,187,494	14,785,159	1,209,790	-	24,182,443
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
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
At 1 January 2025	491,582	7,312,706	606,921	-	8,411,209
Depreciation charge for the year	267,323	1,080,964	123,323	-	1,471,610
Disposals	-	(837,621)	(21,167)	-	(858,788)
Translation adjustment	(51,701)	(217,702)	(5,339)	-	(274,742)
At 31 December 2025	707,204	7,338,347	703,738	-	8,749,289
Net written down value:					
At 31 December 2025	7,480,290	7,446,812	506,052	-	15,433,154
At 31 December 2024	8,039,857	6,994,148	394,701	-	15,428,706

As at 31 December 2025, the gross carrying amount of fully depreciated property, plant and equipment that is still in use is \$3,516,252 (2024: \$3,713,970).

During the year ended 31 December 2024, construction of FM Haus Ples Limited's property was completed and the asset was brought into use. The cumulative costs previously presented within work in progress at 31 December 2024 were transferred to Land and buildings, and depreciation commenced from the date the asset became available for use.

17. Right-of-use assets

The Group has lease contracts for office premises 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. 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.

	Office premises \$	Dedicated internet service line \$	Transmission sites \$	Total \$
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)
Translation adjustment	33,522	-	(5,595)	27,927
At 31 December 2024	<u>31,948</u>	<u>184,811</u>	<u>1,734,311</u>	<u>1,951,070</u>
At 1 January 2025	31,948	184,811	1,734,311	1,951,070
Additions	-	-	70,379	70,379
Transfers	702,527	(63,807)	(638,720)	-
Depreciation charge for the year	(246,564)	-	(316,527)	(563,091)
Disposals	-	(121,004)	(41,187)	(162,191)
Translation adjustment	-	-	(7,301)	(7,301)
At 31 December 2025	<u>487,911</u>	<u>-</u>	<u>800,955</u>	<u>1,288,865</u>

Additions during the year primarily relate to the recognition of right of use assets arising from a new lease agreement for a transmission site and the renewal of existing site lease agreements. Disposals during the year reflect the derecognition of right of use assets associated with site lease agreements that were terminated and are no longer utilised by the Group.

	2025 \$	2024 \$
18. Leases		
Lease liabilities		
Maturity analysis – contractual undiscounted cash flows		
Less than one year	703,271	751,083
One to five years	857,208	1,197,405
More than five years	<u>1,204,424</u>	<u>1,231,586</u>
Total undiscounted lease liabilities	<u>2,764,903</u>	<u>3,180,074</u>

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18. Leases (continued)	2025	2024
	\$	\$
Lease liabilities included in the statement of financial position at 31 December		
Balance as at 1 January	2,101,423	3,097,436
Additions	70,379	743,141
Modification	-	(10,439)
Accretion of interest for the year	110,822	136,630
Disposal during the year	(177,506)	(723,115)
Less: payments made during the year	(675,099)	(1,165,696)
Translation adjustment	(9,409)	23,466
	<u>1,420,610</u>	<u>2,101,423</u>
Current	580,524	639,071
Non-current	<u>840,086</u>	<u>1,462,352</u>
	<u>1,420,610</u>	<u>2,101,423</u>
Amounts recognised in profit or loss		
Depreciation on right-of-use assets	563,091	1,037,989
Interest on lease liabilities	110,822	136,630
Short term / Low value payments	<u>240,031</u>	<u>33,141</u>
	<u>913,944</u>	<u>1,207,760</u>
Amounts recognised in the consolidated statement of cash flows		
Total cash outflow for leases (principal and interest)	<u>675,099</u>	<u>1,165,696</u>
19. Trade and other payables	\$	\$
Trade payables	132,190	56,636
VAT payable	80,306	69,587
GST payable	35,153	31,941
Withholding tax payable	3,387	54,724
Broadcasting/ NICTA license fees payable	410,035	309,153
Radio Royalties payable	89,934	98,968
Audit and professional fees	105,694	77,806
Operator license fees (PNGFM) payable	53,093	33,564
Accruals and other payables	<u>514,275</u>	<u>488,846</u>
	<u>1,424,067</u>	<u>1,221,225</u>
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.	
In August 2025, the Board of Directors of Communications Fiji limited approved a formal commitment to allocate 5% of the Fiji operations profit after tax to the Communications Fiji Foundation, as part of its CSR framework.		
A provision for this contribution \$30,000 was recognized in the 2025 financial statements and is disclosed under note 7 (e) other expenses, consistent with the Board approved policy and in accordance with the applicable accounting standards.		
The CFL group intends to establish a similar charitable entity in Papua New Guinea in 2026.		
20. Interest-bearing borrowings	\$	\$
Business loan - Westpac Banking Corporation Limited (Communications Fiji Limited)	386,546	467,929
Business loan - Westpac Banking Corporation Limited (PNG FM Limited)	<u>5,155,636</u>	<u>6,086,262</u>
	<u>5,542,182</u>	<u>6,554,191</u>
Disclosure in the Consolidated Statement of Financial Position:		
Current	836,204	857,489
Non-current	<u>4,705,978</u>	<u>5,696,702</u>
	<u>5,542,182</u>	<u>6,554,191</u>

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20. Interest-bearing borrowings (*continued*)

Reconciliation of movement of liabilities to cash flows from financing activities

	Borrowings	Lease liabilities	Total
	\$	\$	\$
Balance at 1 January 2025	6,554,191	2,101,423	8,655,614
<i>Changes from financing cashflows</i>			
Proceeds from borrowing for PNG FM Limited	161,572	-	161,572
Proceeds from borrowing for Communications Fiji Limited	-	-	-
Repayments of borrowing by PNG FM Limited	(752,667)	-	(752,667)
Repayments of borrowing by Communications Fiji Limited	(81,383)	-	(81,383)
Payments of lease liabilities	-	(564,426)	(564,426)
Total changes from financing cash flows	(672,478)	(564,426)	(1,236,904)
<i>Other changes - liability related</i>			
Interest expense incurred by PNG FM Limited	438,759	49,181	487,940
Interest expense incurred by Communications Fiji Limited	21,975	61,641	83,616
Interest paid by PNG FM Limited	(438,759)	(49,181)	(487,940)
Interest paid by Communications Fiji Limited	(21,975)	(61,641)	(83,616)
New lease liabilities	-	70,379	70,379
Disposal of lease liabilities	-	(177,506)	(177,506)
Other adjustments and translation	(339,531)	(9,260)	(348,791)
Total liability related other charges	(339,531)	(116,387)	(455,918)
Balance at 31 December 2025	5,542,182	1,420,610	6,962,792

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
<i>Changes from financing cashflows</i>			
Proceeds from borrowing - PNG FM Limited	4,366,312	-	4,366,312
Proceeds from borrowing - Communications Fiji Limited	500,000	-	500,000
Repayments of borrowing by PNG FM Limited	(316,142)	-	(316,142)
Repayments of borrowing by Communications Fiji Limited	(32,071)	-	(32,071)
Payments of lease liabilities	-	(1,029,066)	(1,029,066)
Total changes from financing cash flows	4,518,099	(1,029,066)	3,489,033
<i>Other changes - liability related</i>			
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

20. Interest-bearing borrowings (*continued*)

In 2023 and 2024, the subsidiary company, PNG FM Limited obtained a new loan facility from Westpac Banking Corporation Limited for the construction of FM Haus Ples Limited's property and to assist in purchasing radio station- studio equipment. During the year 2024, PNG FM Limited made a progressive drawdowns of \$3,555,589 and \$810,723 respectively. The assets financed are capitalised within the Group's property, plant and equipment. The facility is for a term of 10 years and 3 years respectively and is subject to an interest rate of 6.50% p.a & 7% p.a. with agreed monthly repayments of \$50,515 and \$36,502 respectively 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.
- (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 Filler Equipment - Site 4 (Nayavu Ba)

Financial covenants

The Group's borrowing facilities are subject to customary financial and reporting covenants, including :

- (i) Periodic delivery (Annual basis) of audited financial statements and supporting schedules and
- (ii) Financial covenants including interest coverage ratio requirements. This assessment is performed in annual basis.

These covenants are assessed periodically under the facility agreements. The Group complied with all covenants throughout the year and at 31 December 2025, and no events of default occurred. For facilities classified as non current, any covenants to be assessed within twelve months of the reporting date were met based on conditions existing at that date, and accordingly the Group retained the right to defer settlement for at least twelve months.

21. 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.

	2025	2024
	\$	\$
Issued and paid up capital		
3,558,000 ordinary shares	3,619,500	3,619,500

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22. Employee benefit liabilities	2025	2024
	\$	\$
Current		
Annual leave	110,814	95,847
Long service leave	<u>51,374</u>	<u>56,998</u>
Total current employee benefit liabilities	<u>162,188</u>	<u>152,845</u>
Non-current		
Long service leave	<u>23,079</u>	<u>23,246</u>
Total non-current employee benefit liabilities	<u>23,079</u>	<u>23,246</u>
	<u>185,267</u>	<u>176,091</u>

23. Foreign currency translation reserve	\$	\$
Balance as at 1 January	(1,401,223)	(981,038)
Currency translation difference	<u>(421,318)</u>	<u>(420,185)</u>
Balance as at 31 December	<u>(1,822,541)</u>	<u>(1,401,223)</u>

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

24. Contract liabilities	\$	\$
Advances received	<u>43,093</u>	<u>1,700</u>

In 2025, the contract liability relates to advance provided by a customer on an event management service contract entered by the Group with a customer.

25. Commitments	\$	\$
a) Capital expenditure commitments	<u>2,282,430</u>	<u>2,389,093</u>

26. Contingent liabilities	\$	\$
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As at 31 December 2025, the Group had contingent liabilities consisting of bank guarantees that are disclosed in Note 20.

Contingent liabilities exist with respect to the following:

Guarantees given to Energy Fiji Limited	<u>8,660</u>	<u>8,660</u>
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The Group has provided a limited guarantee for certain EFL-owned transmission equipment installed at CFL's sites. Under this guarantee, CFL would be liable for damage or loss to that equipment up to \$8,600. No claims have been made to date, and the likelihood of any payout is considered remote, so no provision has been recorded. The amount is disclosed as a contingent liability.

27. Related party disclosures

a) Parent and ultimate controlling party

As at 31 December 2025, the majority of the shares in Communications Fiji Limited are owned by Parkinson Holdings Pte Limited, which is therefore the ultimate controlling party of the Group. William Parkinson holds 50% of the shares in Parkinson Holdings Pte Limited. 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	Peter Aitsi
Emily King - Resigned on 21 May 2024	Rajesh Patel
Josephine Yee Joy - Resigned on 28 March 2025	Prastika Payal - Resigned on 7 January 2025
Sufinaaz Dean	Arieta Cama - Appointed on 21 May 2024
Abigail Chang - Appointed on 27 March 2025	Sakiusa Bolaira - Appointed on 13 June 2025

During the year, the company paid directors' fees of \$221,745 (2024: \$214,386). No other transactions or benefits, including post-employment benefits, termination benefits, or other long-term benefits, were provided to the directors during the year.

c) Ownership interest in related parties

	Country of incorporation and operation	Ownership Interest	
		2025	2024
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 (Joint Venture)	Fiji	50%	50%

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

d) Transactions and balances with related parties

Transactions with related parties during the year ended 31 December 2025 and 2024 with approximate transaction values are summarized as follows:

Relationship	Nature of Transaction	2025	2024
		\$	\$
<i>Shareholder related entities</i>			
BSP Life (Fiji Ltd)	Sales	-	6,950
Fiji Care Insurance	Medical insurance	(60,766)	(70,320)
<i>Joint venture company</i>			
231 Waimanu Rd Holdings Pte Limited (Joint Venture)	Rental expense	(205,465)	(205,465)
	Dividend	150,000	200,000
	Management and administrative fees	14,287	11,653

BSP Life (Fiji) Limited and Fiji Care Insurance are shareholders of the Group and, as at 31 December 2025, held a 7.75% and 0.98% equity interest in Communication Fiji Limited. Accordingly, BSP Life and Fiji Care Insurance are related parties of the Group.

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

27. Related party disclosures (*continued*)

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, Head of Departments and Directors were identified as key management personnel. The aggregate remuneration to the executives were:

	2025	2024
	\$	\$
Salaries	848,889	763,757
Short-term employee benefits	<u>272,262</u>	<u>225,865</u>
Total salaries and short-term employee benefits	<u>1,121,151</u>	<u>989,622</u>

Short-term employee benefit includes housing benefits, allowances for phone, fuel and medical benefit.

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.

28. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong 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, policies or processes during the year 31 December 2025 and 31 December 2024.

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 discontinued operations.

	\$	\$
Interest-bearing loans and borrowings (Note 20)	5,542,182	6,554,191
Less: cash and short-term deposits (Note 12)	<u>(477,718)</u>	<u>(843,192)</u>
Net debt	5,064,464	5,710,999
Equity	<u>16,981,660</u>	<u>16,600,584</u>
Total capital	<u>16,981,660</u>	<u>16,600,584</u>
Capital and net debt	<u>22,046,124</u>	<u>22,311,583</u>
Gearing ratio	23%	26%

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.

29. 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.

30. 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.