



**MARKET ANNOUNCEMENT**  
(For Immediate Release)


**ATH AGM Resolutions**

The following resolutions were passed by unanimous vote by those attending and eligible to vote at the 15<sup>th</sup> ATH Annual General Meeting held on Tuesday, 27 August 2013 at 9.30 am at the Lali Room, Holiday Inn, Suva:

1. The adoption of the Minutes of the 14<sup>th</sup> Annual General Meeting held on Wednesday, 29 August 2012 at 9.30 am.
2. To adopt the Balance Sheet, the Statement of Profit and Loss and the reports of the Directors and Auditors for the financial year ended 31 March 2013.
3. To declare a final dividend of 3c per share totalling \$12,663,146.04 in accordance with the recommendations of the Directors.
4. To re-elect Mr Umarji Musa as Director and elect Mrs Akosita Drova to replace Mr David Kolutagane in accordance with Articles 6.4 of the Articles of Association.
5. To fix the total remuneration of the Directors for the ensuing year at \$90,000 in accordance with article 6.7.
6. To appoint BDO as ATH Group auditors for the financial year ending 31 March 2014 and authorise the Directors to fix their remuneration.

(End)

27 August 2013

  
Director

  
Company Secretary

**About ATH:**

The ATH Group of Companies comprises ATH, Telecom Fiji Limited, Vodafone Fiji Limited, Fiji Directories Limited, ATH Technology Park Limited, FINTEL and Pacific Emerging Technologies Limited.

ATH is a public company listed on the South Pacific Stock Exchange and is Fiji's principal telecommunications holding company, through its investments and provision of direct services in a broad range of telecommunications and related services, throughout the Fiji market.

**Contact:**

Ivan Fong, General Manager/Company Secretary on 3308-700 or [IvanF@ath.com.fj](mailto:IvanF@ath.com.fj)



**General Manager's Speech at the ATH Annual General Meeting  
Tuesday, 27 August 2013 at 9.30 am at the Lali Room, Holiday Inn, Suva**

The past four years has seen us concentrating on consolidating parts of the Group to keep our focus on core strengths and businesses in order to pull through the economic challenges posed globally and locally. At the same time we have kept focus on improving end to end quality of service and customer value.

Tough decisions have been made, but sometimes – to paraphrase the old saying – tough decisions are needed if we are to be “kind” in the long run. The Board believes such prudent business decisions have enabled ATH to keep on top of the tough times.

Over the past few years, we have embarked on a programme that sees the ATH Group of Companies modernise its technology and platforms that has helped save costs, improve efficiencies, service delivery and performance, while contending challenges resulting from both natural disasters such as the floods and cyclones and also copper theft and vandalism.

At times it not obvious to see the forest for the trees but outside surveys, such as those that helped confirm Fiji as one of the market leaders in the Pacific with the best and most affordable broadband services and even amongst the most improved countries by the ITU are validation of our efforts.

An unprecedented growth in data and broadband internet has translated into significant returns for our companies, most significantly in Vodafone Fiji and TFL, but it also represents a shift away from our core business revenues.



Just last week ATH completed the purchase of Government's 51 per cent shareholding in FINTEL making the company a fully owned subsidiary of ATH. FINTEL is continuing with its work in connecting our island neighbours to the Southern Cross Cable Network with Tonga completed and Vanuatu soon to begin, bringing Fiji one step closer to its vision of being a regional ICT hub.

This year has seen a number of developments in the telecommunication sector in Fiji. A highlight has been the auctioning by Government in July of the radio spectrum for 4G LTE communications. Spectrum is a critical wireless resource required if you want to provide broadband services. Both TFL and Vodafone Fiji participated in this auction, securing their share of fourth-generation spectrum that will enable end users to have super-fast internet connections including streaming and video calling.

Having earlier provided 95% 3G coverage, Vodafone Fiji has already begun putting in place the infrastructure for its 4G LTE network and is expected to roll out services within the next few months.

Vodafone's notable 11 per cent growth in 2012 and increased subscriber numbers was driven mostly through data connections. With the completion of its 3G network and the purchase of 4G LTE spectrum space, Vodafone is ready to meet the increasing demand for high-speed mobile internet services.

Vodafone Fiji is the network of choice for data connectivity with its Red Hood data products taking the country by storm, just as smart-phone and tablet penetration begins to become noticeable.

Of course the unified licensing regime promulgated late last year has changed the landscape for our industry going forward. Unified licensing enables our companies to provide various

telecommunications services under a single licence and simplifies the process of obtaining licences. TFL was issued a unified licence in June this year, opening up more opportunities.

TFL witnessed some significant improvements to its business achieved through both revenue growth and improved cost efficiencies. TFL's 9 per cent growth in revenue was underpinned by the company's launch of new and revamped products, with a recent deal package of phone, WiFi internet and 50 minutes free calls being launched to high public demand.

In line with the ATH Board's resolution to consolidate and streamline our businesses, TFL sold its property at Walu Bay for \$3.75m in the past year and on 31 March this year, TFL acquired Transtel Limited's assets and operations, as well as those of ATH Call Centre Limited.

To continue the journey forward, TFL has announced the appointment of its CEO, Mr Mothilal De Silva.

The folding back of Kidanet into FINTEL has been completed and FINTEL continues its efforts to connect our neighbouring Pacific countries to the Southern Cross Cable, spreading the benefits of high-speed technology to the region.

Fiji Directories Limited performed admirably recording a net profit after tax of \$1.4 million, an increase of 32 per cent compared to last year. FDL expects growth in online advertising revenue with the revamping of its online directory and expansion into directory mobile search. FDL looks set to continue on this path, capturing a large segment of the online directory market for Fiji in the process.



Our philanthropic efforts continue with the work of the Vodafone ATH Fiji Foundation reaching more people and making a difference in the lives of many. The Foundation's belief is that mobile communication is key to resolving many of Fiji's pressing humanitarian challenges. And we will put our people and technology to use to multiply the positive impacts of our companies on people's lives.

With these developments in mind, I turn to the financial results for the past year, which you, no doubt, would have already read in the annual report. With the exception of FINTEL, all ATH subsidiaries recorded increases in revenues.

As noted in the details of the financial report, the impairment and disposal of assets, mainly in Vodafone and FINTEL, affected the Group's consolidated results. The Group recorded a consolidated net loss after tax and minority interest of \$15.9 million, compared to a profit of \$18.3 million for the corresponding period last year. This loss is largely due to the disposal of equipment by Vodafone Fiji of \$69 million owing to its early completion of the 3G upgrade project, and the impairment of assets in FINTEL of \$7 million.

While Group reported profits declined drastically resulting in a net loss before taxes of \$34.65 million as a result of the adjustments above, there is still significant cash being generated as the adjustments above do not impact cash flow, revenues, internet and data volumes have continued to grow and costs are being controlled. Therefore the fundamentals remain sound and reported profits are expected to revert to normal with these one off adjustments out of the way. On the basis of this, the directors will be recommending an increase in dividend to shareholders.

Despite these figures, the Board's focus over the past years on consolidation and building for future growth will place the ATH Group on a stronger footing to be able to turn these results around. The rationalisation of assets and consolidation of our business will continue as we look to capitalise on the increasing demand for data services and internet access.

The Chairman and the Board thank the CEOs of each of the subsidiaries and their senior management teams and staff. It is the people working within any company that ultimately bring success to that company, and to all the staff of the ATH companies, thank you for your loyalty and dedication.

While the challenges are numerous and laid out before us, we can also see a future in which Fiji and Fijians are connected to each other and the wider world, with an improved standard of living. And the ATH Group is a part of that future.

( End )