



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 20th ATH Annual General Meeting held on Thursday, 23 August 2018 at 9.30 am at the Lali Room, Holiday Inn, Suva:

1. The Adoption of the Minutes of the 19th Annual General Meeting held on Wednesday, 23 August 2017.
2. To adopt the financial statements of the company and of the group, comprising of the statements of financial position, the statements of profit and loss and other comprehensive income, statements of changes in equity and statements of cashflows, and the reports of the Directors and Auditors for the financial year ended 31 March 2018.
3. To re-elect Mr Umarji Musa as Director in accordance with Articles 6.4 of the Articles of Association.
4. To fix the total remuneration of the Directors for the ensuing year at \$90,000 in accordance with Article 6.7.
5. To appoint BDO as Auditors for the financial year ending 31 March 2019 and authorise the Directors to fix their remuneration.
6. To declare a final dividend of \$0.02 per share totalling \$8,442,097.36 in accordance with the recommendations of the Directors.

- End -



Director



Chief Executive Officer / Company Secretary

23 August 2018

About ATH:

The ATH Group of Companies comprises ATH, Telecom Fiji Limited, Vodafone Fiji Limited, FINTEL, Fiji Directories Limited, ATH Kiribati Limited, Telecom Vanuatu Limited and Datec (Fiji) Limited and its subsidiary, Datec Australia Pty 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, Kiribati and Tuvalu market.

The Fiji National Provident Fund is the largest shareholder in ATH.

Contact:

Ivan Fong, Chief Executive Officer/Company Secretary 3308-700 or IvanF@ath.com.fj



**Chief Executive Officer's Address at the
ATH AGM on Thursday, 23 August 2018 at the Lali Room, Holiday Inn, Suva**

Thank you, Mr Chairman, a warm welcome to everyone present today, shareholders, shareholder representatives, members of the SPSE, the Management representatives of our operating companies and invited guests.

The ATH Group achieved another set of great results for the 2017-2018 financial year.

Delivering key result highlights for FY 2018 including:

- Group consolidated sales revenue growth of 16 per cent from \$394 million to \$460 million.
- A 14.3 per cent improvement in the Group's gross profit from \$224 million to \$256 million.
- An increase in consolidated EBITDA by 17% per cent from \$153 million to \$181 million.
- Total Comprehensive Income attributable to equity holders growing from \$55 million to \$65 million.
- Earnings Per Share increasing from 12.8c to 15.4c.

Financial results aside, the group is in now fully engaged in expansionary mode as we have bedded down acquisitions in Kiribati and Vanuatu and continue to work on regulatory approvals for the Bluesky transaction.

At present, the US regulatory approvals are still in progress and both the sellers and ATH are working to fully co-operate and comply with the queries and requirements of the regulatory authorities in the USA dealing with foreign investment, competition and national security.

On the home front, ATH has applied for the integration of TFL and FINTEL and have worked through conditional approvals from the Fijian Competition and Consumer Commission and will subsequently look to secure all necessary legal and joint board sanctions to effect the integration.

From a benchmarking perspective, our revenue growth and EBITDA margins continue to chart favourably against global results. Financially, we are increasing our use of debt financing to enable our acquisitions and the debt / EBITDA and Funds from Operations / Debt indicators indicate that we are not unusually leveraged.

Operationally, while the businesses in Fiji are performing admirably, ATH is seeking to ensure that we maximise group synergies and co-operation to deliver value to our shareholders. For that reason, you will have noted that Vodafone Fiji has appointed Mr Pradeep Lal as the Vodafone Regional CEO to address these matters directly.

On the group front, as ATH builds its presence in the region, the scale of our operations is naturally increasing and the company is building a team of resources to handle the transactions, strategy, reporting, compliance and risk management from a group perspective as a consequence of our growth.

On the topic of growth, our interest can be inferred directly from an earlier GSMA report on the mobile economy in the Pacific Islands which reports a market size of a collective population of over 10 million people, with between 4 to 5 million subscribers and some 55% of the population at age 25 years or less. Combining this with our estimates of an aggregate bandwidth demand growing at 40% year on year and a potential Internet of Things (IoT) market potential of 15 million to 30 million connections, the prospects remain very exciting.

For this reason, we continue to explore opportunities in the Pacific Islands and beyond as we look to grow our businesses. The rally of the ATH share price is an endorsement of sorts from our shareholders on our strategy or regional expansion and the Board and management are extremely excited with the future plans for the group and hope to return the faith of our shareholders with improved future results.

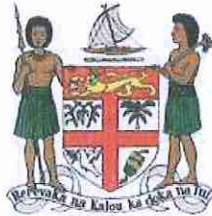
Ladies and gentlemen, I would like to express our gratitude to the Board for their guidance, oversight and constructive critique of our strategies; to the management and staff of the operating companies for executing and delivering the continued results; and finally to our shareholders for your faith and confidence in the ATH group.

ENDS

ATH AGM Update 2018



Fiji Government



Fiji National Provident Fund

Other Institutional Investors

17.3%

72.6%

10.1%



79%
Direct and Indirect Ownership of Vodafone Fiji



49%

51%

100%

100%

100%

100%

100%

60%



Mobile
Voice + Data



Fixed
Voice + Data + ISP



IGW +ISP
SCCN



Fiji Directories Ltd



Kiribati



Vanuatu



A/Samoa
Samoa
Cook Is.
NZ

A horizontal bar with a color gradient from red to yellow.

Markets

Fiji

Kiribati

Vanuatu

Bluesky – in progress – Samoa, Cook Islands, American Samoa

Regional Opportunities

Markets

Papua New Guinea
 Solomon Islands
 Tonga
 Tuvalu
 Nauru
 Federated States of Micronesia
 Timor Leste
 Palau
 Republic of Marshall Islands

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Our Reach and Strategic Regional Partnerships and Projects

- ATH and Vodafone Fiji have expanding their footprint regionally
- Offering our expertise and knowledge in mobile telecommunication to other networks to create a vibrant, competitive, and robust mobile communications network in the region.

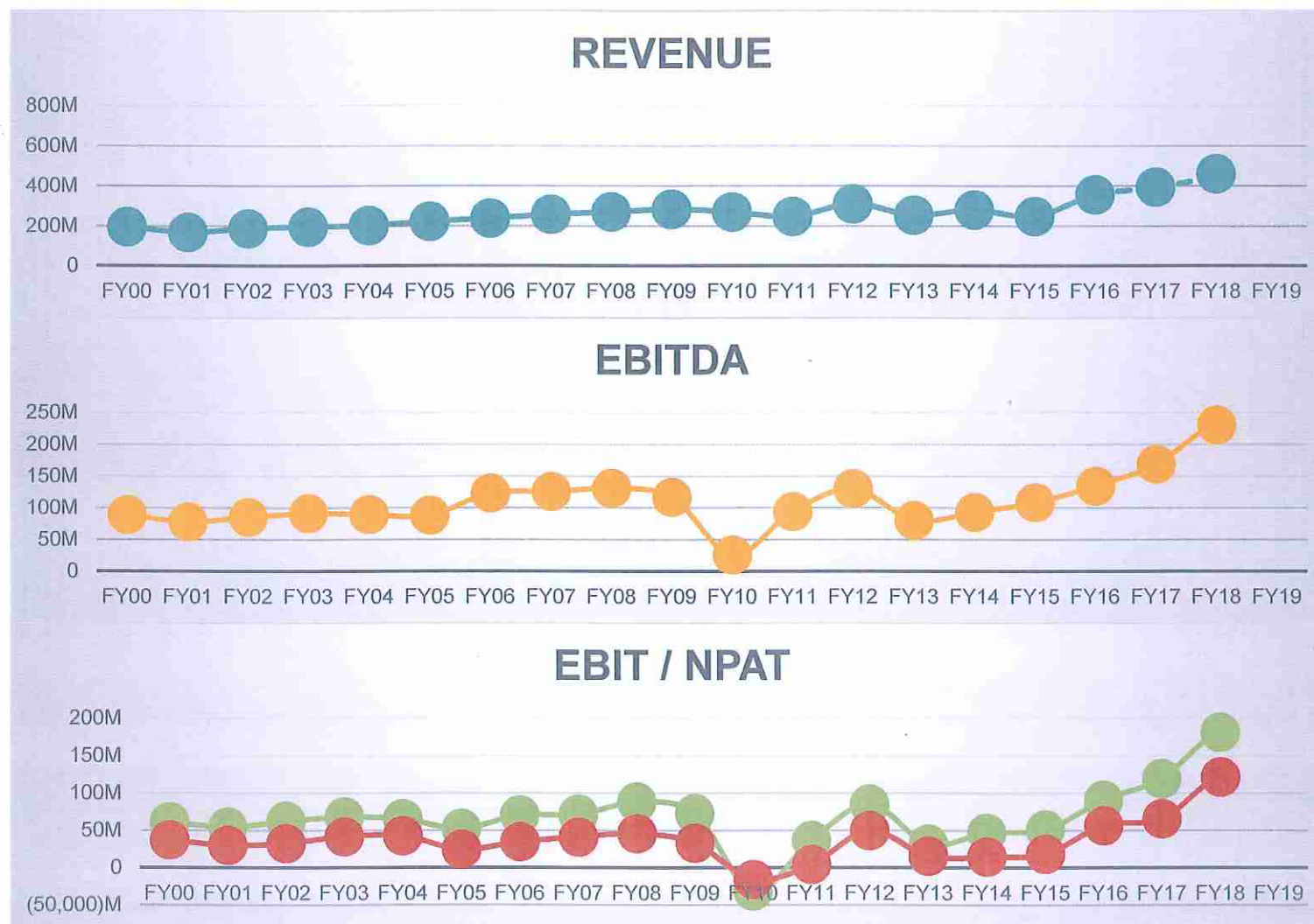


- What this means:
 - Leverage on Vodafone expertise and know how
 - Expand regional footprint and Strengthened ties
 - Developing and leveraging local expertise
 - technology training opportunities
 - knowledge/skill transfer
 - Open doors for other investments which will further strengthen ties.
 - Access to market innovation, sales and marketing
 - Expand current product portfolio - Total ICT solutions provider

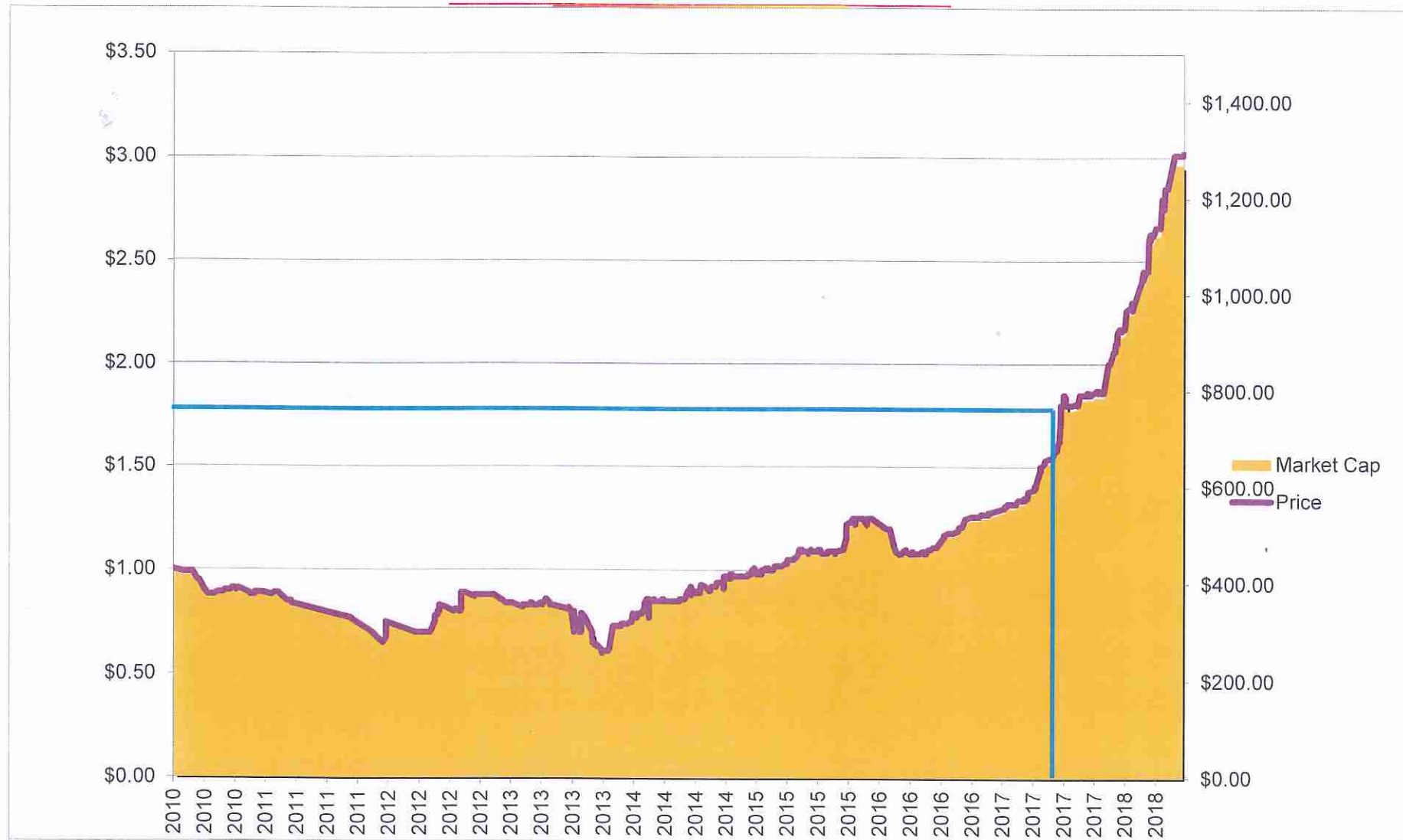
Performance



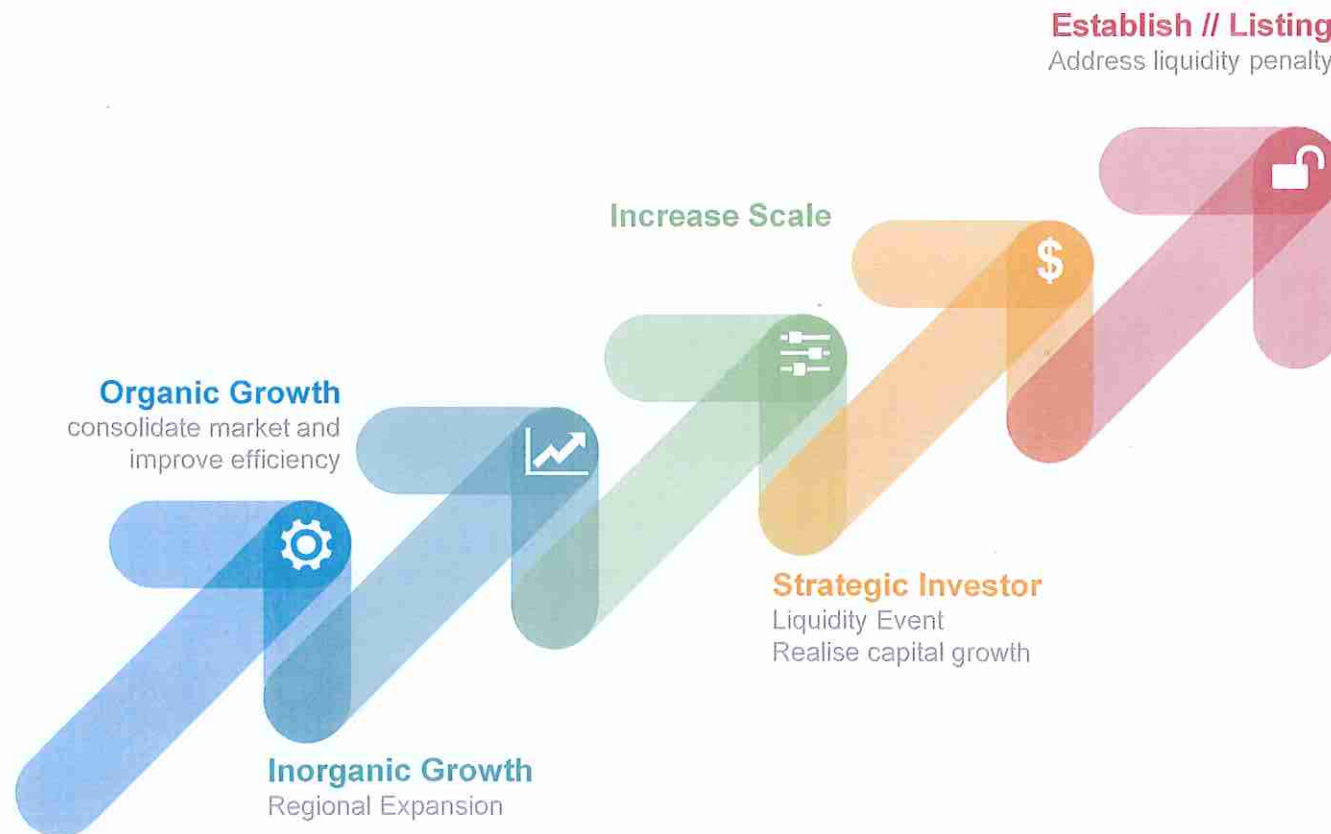
Financial History



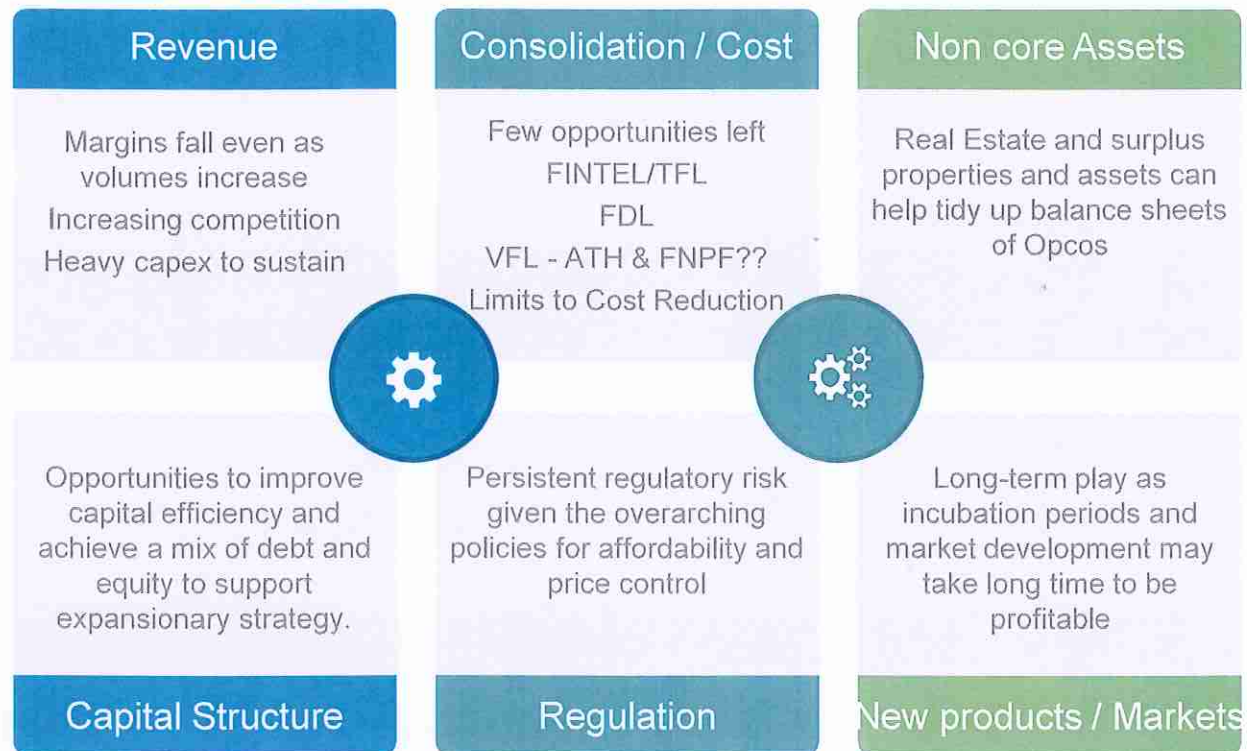
Share Price / Market Cap



Pathway to delivering growth and value



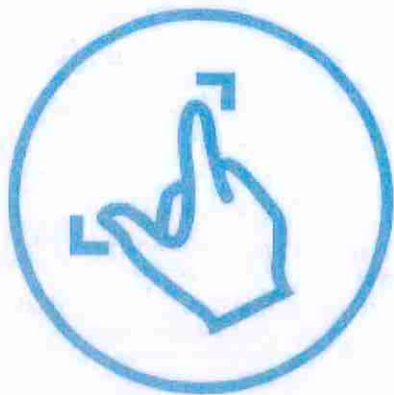
Organic Improvement



Opportunities

- **Population > 10m**
- **55% below 25 years old**
- **International capacity usage continues to grow 40% YoY**
- **Doubling every 2 years**

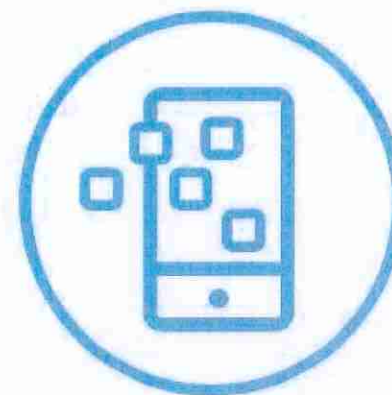
Mobile addressing economic and social challenges across the region



Delivering digital inclusion
to the still unconnected
populations across the region



Delivering financial
inclusion to the still
unbanked populations



Delivering innovative
new services

GSMA 2014 Pacific Islands Outlook

Unique subscribers and SIM connections



2014

4.1M



2014

37%

PENETRATION RATE



2020

5.1M

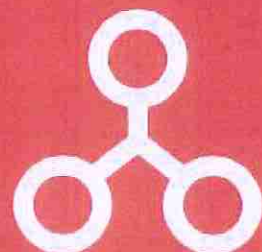


2020

42%

PENETRATION RATE

CONNECTIONS Excluding M2M



2014

6.5M



58% PENETRATION RATE

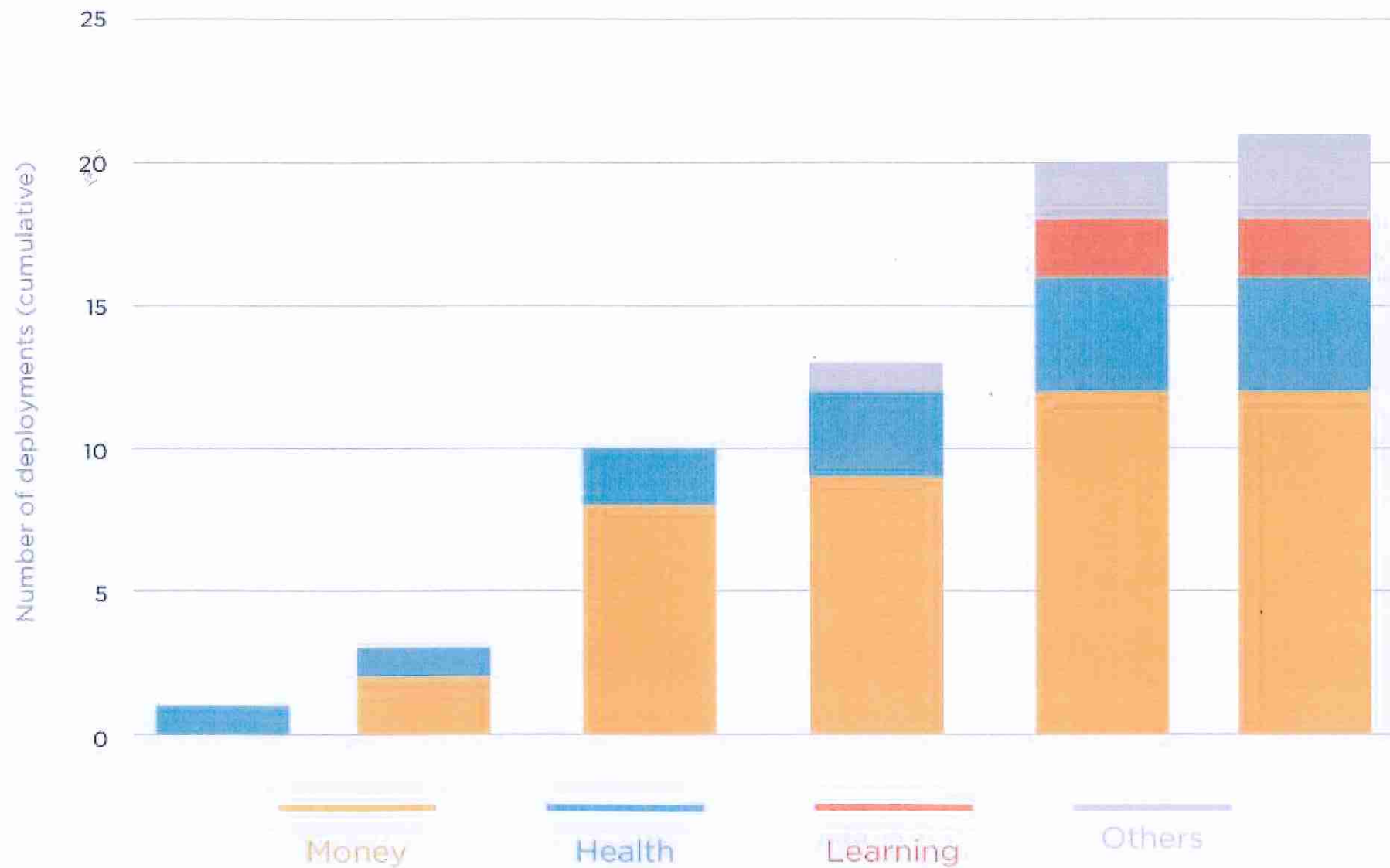
2020

8.5M



69% PENETRATION RATE

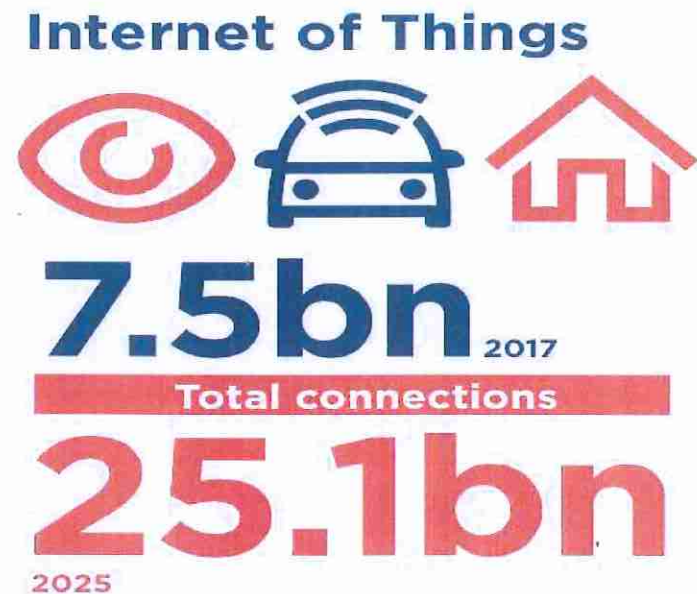
Mobile-enabled product and service evolution, Pacific Islands





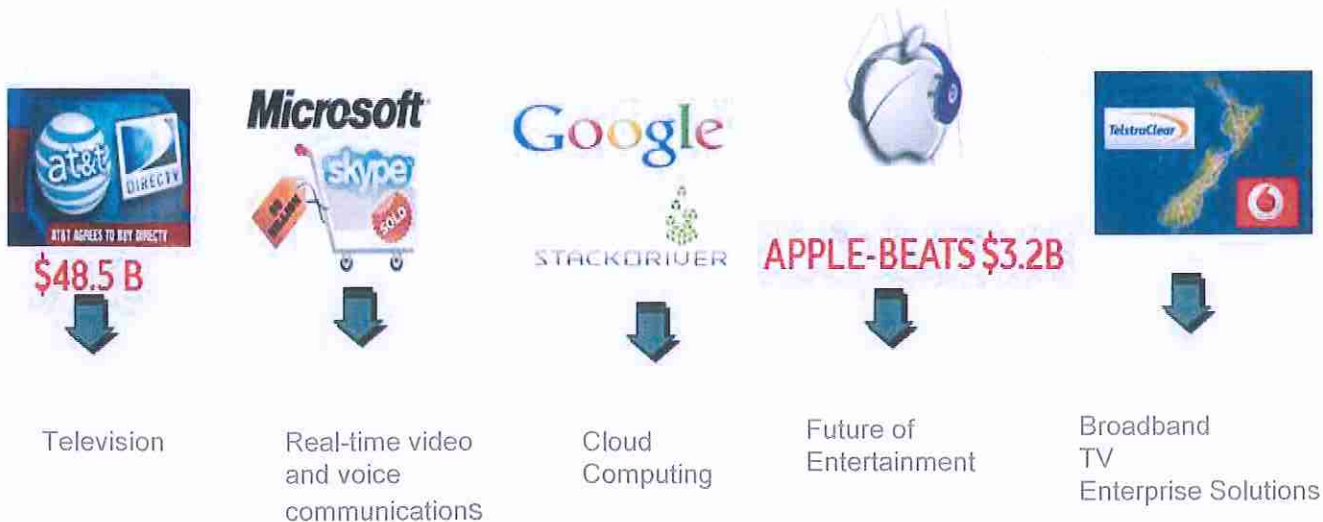
IoT drives connected things, smart cities

- IoT was not factored in 2014
- GSMA forecast of IoT connections 25bn
- Others forecast 50bn
- Extrapolating global numbers onto Pacific numbers
- Potential 15m - 30m IoT connections



Mergers and Acquisitions: Global Strategy to drive Business Growth

- The strategy adopted by Telcos globally to strengthen their positions is through consolidation
- Many operators are going for both horizontal and vertical integrations in the following:
- Internet, Cloud
- Consolidation of ICT, IPTV and Media
- Mobile has been the key driver for M&A
- In order to survive in a turbulent and fast evolving mobile industry, such strategies has to be advocated.



– PARTNERSHIP WITH STRATEGIC LOCAL SHAREHOLDERS :

- Telecom Vanuatu – with Vanuatu Provident Fund
- Kiribati – discussion with Kiribati Provident Fund
- Cook Islands – local employee trust and Cooks Superfund & Govt
- Samoa – Unit Trust of Samoa

Being Part of a Global Organization...

- Partner with larger regional telecom / ICT companies.
- Pacific operators need to come together and then be part of an entity that is a Global Organization.
- FNPF/ATH consolidated entity-local and regional
- Why:
 - Opportunities to expand footprint and establish alliance in the Pacific through a consolidated telecommunications vehicle- Fiji/Tonga/Cook Islands, American Samoa, Samoa, Solomons/Vanuatu/PNG/Timor Leste, etc.



End

Disclaimer

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The actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. The statements made and information provided here are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of ATH and its subsidiaries, which may cause actual results to differ materially from those expressed in the statements contained in this presentation.

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