



**SPSE Chief Executive Officer**  
**Ms Krishika Narayan**



### INVESTOR INFORMATION (As at 14<sup>th</sup> August 2017)

Share Price:	\$1.61
Best Bid:	\$1.61
Best Offer:	None
Dividend Yield:	4.35%
Market Cap:	FJD679.59m
Total Shares on Issue:	422.10m
Sector Represented:	Telecommunications
Website:	www.ath.com.fj
Broker Recommendation:	Accumulate



**ATH Chief Executive Officer**  
**Mr Ivan Fong**

### Greetings from SPSE!

For the benefit of the current as well as the potential shareholders, the Exchange continues its Insight update for the March financial year ending listed companies. These updates are being provided in a bid to help you better understand and absorb the essential points of business and the financial conditions of a listed company which in turn can assist you in making informed investment decisions.

In this edition, we catch up with the Chief Executive Officer of the largest SPSE listed company by market share, **Amalgamated Telecom Holdings Limited (ATH)**, Mr Ivan Fong. We will focus on providing a trend on the company's critical financial figures, names of people behind the success of the company as well as provide a snapshot of the company's key stock market related statistics and the details regarding the company's upcoming Annual General Meeting (AGM).

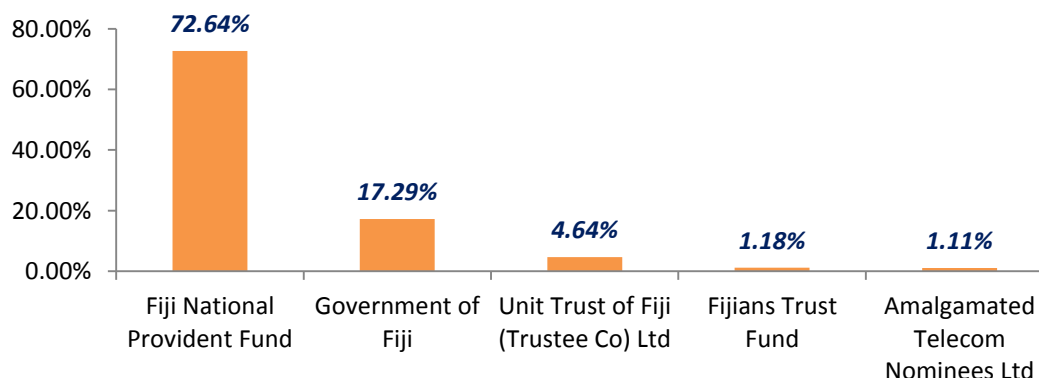
### COMPANY PROFILE & BACKGROUND

Amalgamated Telecom Holdings Limited (ATH) provides telecommunication services in Fiji and enhances the network of telecommunications, development of internet services and provision of computer hardware and software with technical support services through its subsidiaries Telecom Fiji, Vodafone, FINTEL, Fiji Directories Limited and Datec (Fiji) Limited. It also has 100% subsidiary company in Kiribati, ATH Kiribati Limited. ATH earlier this year also announced the purchase of 100% shares in Telecom Vanuatu Limited.

### DIRECTORS & SENIOR MANAGEMENT

- Mr Ajith Kodagoda (Chairman)
- Mr Taito Waqa (Director)
- Mr Arun Narsey (Director)
- Mr David Kolitagane (Director)
- Mr Tom Ricketts (Director)
- Mr Umarji Musa (Director)
- Mr Sanjay Kaba (Director)
- Mr Ivan Fong (CEO/Company Secretary)
- Mr Naibuka Saune (Head of Mergers & Acquisitions)

### TOP 5 SHAREHOLDERS



## KEY FINANCIAL HIGHLIGHTS

**SPSE:** The Group has delivered a strong financial performance with increases noted in revenue and profitability. What were the Group's key financial highlights driving the level of growth during the year?

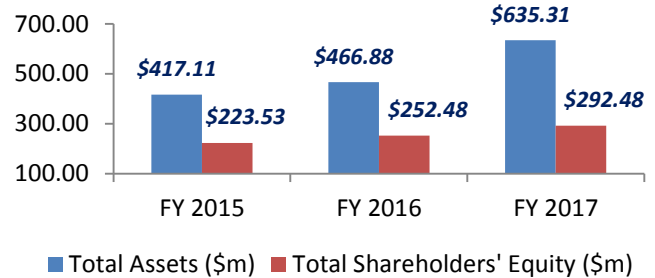
**ATH:** Our results have been buoyed by improvements in the operating results of substantially all of the subsidiaries. The growth and performance thus far has largely been driven by organic growth of the companies arising out of the natural demand growth for broadband Internet and also cost efficiencies and synergies from the consolidation commenced previously. On the acquisition and regional expansion front, the operations in Kiribati and Datec Fiji Limited have experienced successful turnarounds showing profitability within very short turnaround times.

Some key financial statistics displaying a three year trend is illustrated below:

Particulars	Mar-15	Mar-16	Mar-17
Operating Revenue (\$m)	310.67	356.21	394.70
Net Profit after Tax (\$m)	71.97	81.83	85.27
Earnings per Share (cents)	11.80	13.40	12.80

Particulars	Mar-15	Mar-16	Mar-17
Return on Equity	25.70%	26.50%	22.30%
Return on Assets	22.70%	23.00%	19.20%

## Total Assets & Shareholders Equity Trend



## REGIONAL EXPANSION

**SPSE:** ATH has been active in expanding into neighbouring South Pacific markets making some notable acquisitions in recent times. How are these acquisition strategies contributing to the Group performance?

**ATH:** These "bolt on acquisitions" are accretive in nature, and are in line with ATH's pursuit of a consolidation investment strategy. Building economies of scale and synergies are increasingly important to deploying networks and technologies effectively and efficiently. Given the very small populations of most of the developing countries in the Pacific, our expansion and pooling of interests across markets aim to achieve exactly those objectives.

These acquisitions have been undertaken on a sound and realistic way based on their prospects for creating long term value. In particular, they present the Group with great potential because not only will our regional footprint become much larger, it will allow us to deliver benefits through regional product and service delivery, economies of scale, and other synergies that could be unlocked via consolidation.

## TRADING

**SPSE:** Institutional investors hold majority of the ATH shares as depicted by the top 5 shareholder list. Given that ATH has board representation from these major shareholders, has there been any discussion as a collective board to offload part of their shareholdings in order to increase availability of ATH shares for sale?

**ATH:** While Directors are cognisant of the demand for ATH shares, ATH shares are still thinly traded and liquidity is still a concern for existing shareholders. The actual intent of the top shareholders is largely their prerogative and the company has not received any indication.

## FUTURE OUTLOOK

**SPSE:** After experiencing a successful financial year, what can shareholders expect in the next financial year in terms of new projects and acquisition plans that will further improve shareholder value?

**ATH:** The Group will continue to work hard to achieve success in modernising its services to remain relevant to our customers and at the same time pursue long-term value maximisation for its shareholders. It will continue with the restructuring and alignment of local businesses to reflect the evolution of product and services in the market and in a measured and realistic way pursue regional expansion projects that are accretive in nature to the Group. In line with the changing dynamics of the industry, ATH will continue to explore all avenues for improvement, including ongoing consolidation of Group companies to improve performance and realise synergies.

## SHAREHOLDER RETURNS

**SPSE:** With an increased participation in ATH shares, the share price for the company has been on an upward trend with ATH mostly trading at an all-time high share price. With this backdrop, does the company foresee increasing its dividend payment to encourage more investors to buy ATH shares?

**ATH:** Share prices reflect the markets long-term view of the company. To this effect, the strong growth in ATH's share price reveals the shareholder endorsement of ATH actions as it continues restructure efforts across the Group and explore all avenues for improvement, including the ongoing consolidation of Group companies to improve performance and ensure future proofing of the businesses.

Whilst ATH has been a dividend aristocrat in the recent years, there is a need to ensure its growth is sustainable. For ATH this requires careful consideration, as it operates in a very competitive and capital-intensive industry. This requires a measured and realistic approach of reinvestment of profits back in to the company to help spur growth, which will be signalled by future positive earnings reports with the expectation of share price appreciation. This increase in price provides ATH investors with capital returns to boost total returns to shareholders in addition to the dividend yield.

ATH understands there are different types of shareholders (i.e. near term goals and hold shares for a relatively short time, and long term goals and hold shares for the long term). What matters is not investor's holdings periods but rather the market valuations horizon, i.e. long-term. ATH responsibility is to pursue long-term value maximisation regardless of the mix of high-and low turnover shareholders.

For further information about ATH shares, listing on SPSE, other listed company performance and/or investing in listed companies, as well as any shareholder related queries regarding your investments in one of the listed companies, please do not hesitate to contact us.

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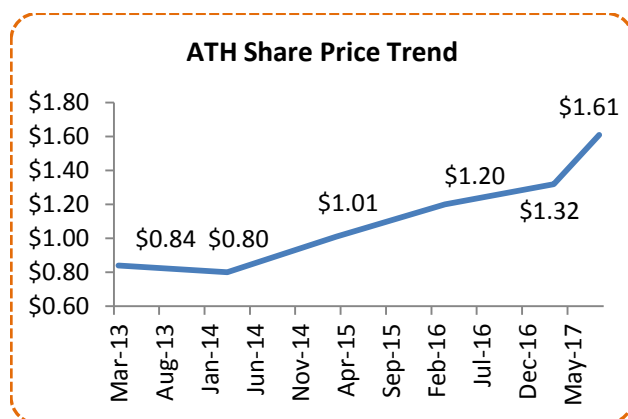
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The share price trend from March 2013 until 14<sup>th</sup> August 2017 is depicted below:



## UPCOMING ANNUAL GENERAL MEETING (AGM)

If you are a shareholder in ATH, you have a **RIGHT TO ATTEND** this upcoming meeting. The AGM is conducted once a year and is the occasion where the Directors share insights with the shareholders about the past year's business performance, strategies and the outlook going forward. Shareholders also vote on resolutions about the company. If any shareholders are unable to attend, they may appoint a proxy to represent them at the AGM. Details of the upcoming AGM are as follows:

- ▶ **Date:** Wednesday, 23<sup>rd</sup> August 2017
- ▶ **Time:** 9.30am
- ▶ **Venue:** Lali Room, Holiday Inn, Suva

If you wish to invest your savings in shares of any of the SPSE listed companies or being an existing investor, you wish to realise capital gain opportunities in the market, please contact any one of the licensed stockbrokers listed below. Your stockbroker will guide you through the process.

### Licensed Stockbroking Firms:

- ▶ **FHL Stockbrokers Ltd (FHS)**  
Phone: 3307 025      Email: [fhls@fijianholdings.com.fj](mailto:fhls@fijianholdings.com.fj)
- ▶ **FijiStock Brokers Ltd (FSB)**  
Phone: 3304 675      Email: [mail@fijistockbrokers.com.fj](mailto:mail@fijistockbrokers.com.fj)
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