

# VNPF gives Vt800 million convertible loan to ATH

By Anita Roberts

**THE VANUATU NATIONAL** Provident Fund (VNPF) has given a Vt800 million convertible loan to the Amalgamated Telecom Holdings (ATH) of Fiji yesterday.

The Chairman of VNPF Board, Alain Lew, presented the cheque to ATH's Head of Mergers and Acquisitions, Naibuka Uluilakeba Saune, following a Memorandum of Understanding (MOU) witnessed by the VNPF General Manager (GM), Parmod Achary and the Acting Chief Executive Officer (CEO) of Telecom Vanuatu Limited (TVL), Barlen Luttmoodoo and Marketing Staff.

This Vt800 million investment will be converted into equity share, which means within two years time VNPF can directly own shares in Telecom Vanuatu Limited (TVL) once the

company is operating smoothly, said VNPF GM Achary.

ATH has been a strategic investor in TVL since 2017, when it acquired 100% shareholding in the company.

ATH will be repaying with a 6% interest, said GM Achary.

ATH 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 Fiji, Vanuatu, Samoa, Cook Islands and Kiribati markets.

The Fiji National Provident Fund is ATH's largest shareholder.

At that time ATH acquired 100% shareholding in TVL, it has grown the company's business including a network overhaul culminating in the launch of 4Gt services late last year.

VNPF's Vt800 million investment in TVL to be

facilitated in a convertible debt option, has been approved by the VNPF Board in accordance with VNPF's Investment Policy Guidelines.

VNPF's vision in this venture is to buy back shares to Vanuatu, a strategy that fits in line with the fund's investment growth strategy, said GM Achary.

"We agree for VNPF to own more than 50% share but it will take some time.

"TVL, a local company should be supported to retain income in the country.

"What we will gain in the agreement with ATH will grow members' interest.

"Two of our major achievements this year was boosting shares with UNELCO as the main utility company and now TVL, a leading telecommunication operator in the country.

"The investment performance of this year has been very high. We expect to

do much better in the coming year," he said.

Given the long-term profile that VNPF has on its liabilities and the limited investment opportunities locally, core economic infrastructure assets provides the balanced risk return asset base that will provide stable long-term income and future growth for its members, said GM Achary.

"Normal investment approaches through traditional asset classes, in particular bonds and deposits, are no longer sufficient to generate high yields for our members.

"The fund will continue to explore a diverse range of asset classes, such as core economic infrastructure and property development, to enhance returns.

"To achieve this, having the right partners with necessary expertise, technical and management capability and proven experience in

infrastructure investment, is paramount.

"Our partnership with

ATH, a seasoned investor with telecommunications management expertise and technical know-how, is a testament to this."



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