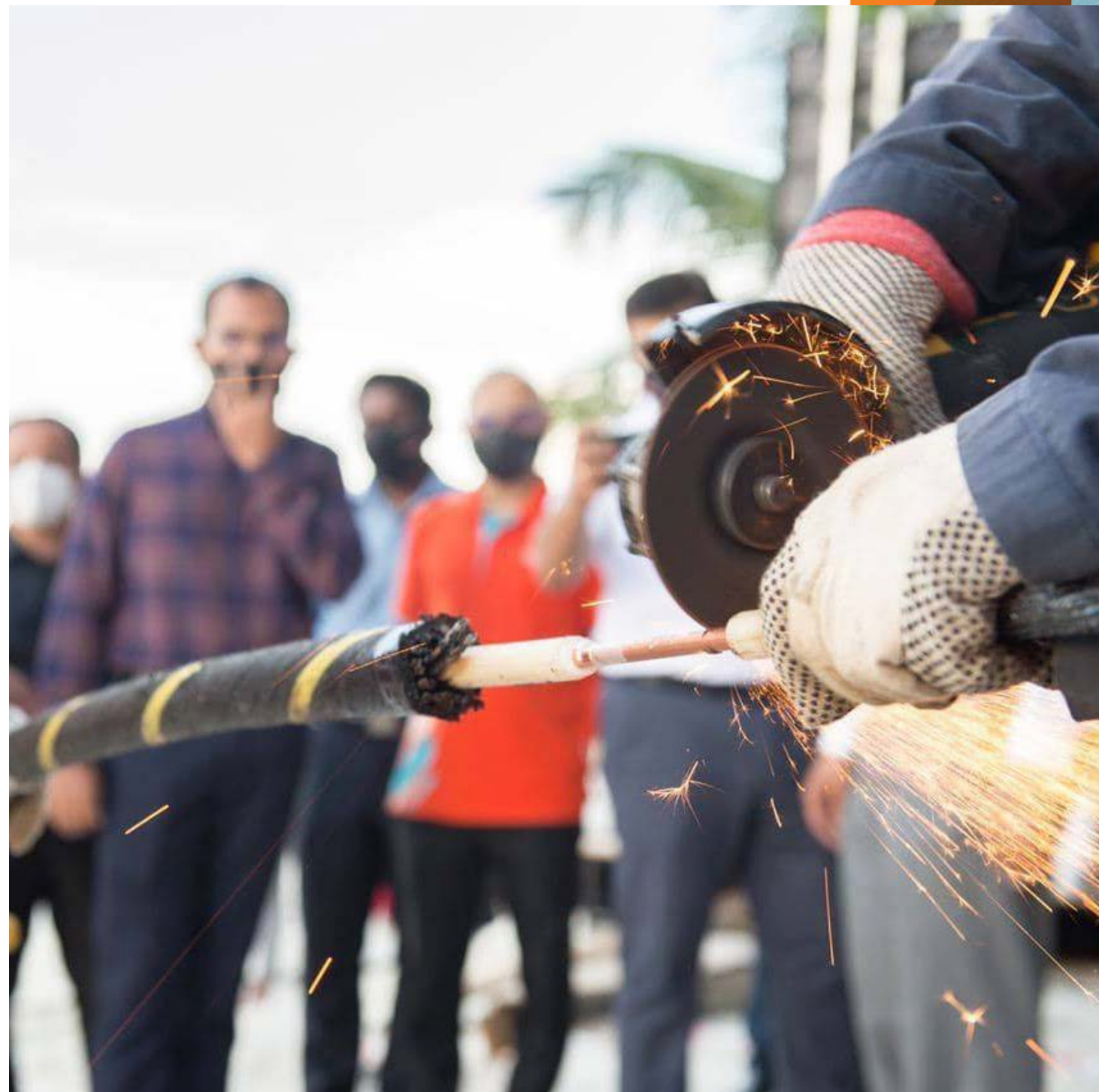




Fourth Quarter Report

October – December 2020

Dhivehi Raajjeyge Gulhun PLC
www.dhiraagu.com.mv





Dhiraagu is the leading digital and telecommunications service provider in the Maldives. Our business is to provide future-proof digital and telecommunications connectivity that enables our customers to get ahead in the digital future. We are the pioneers that ushered the Maldives into the digital age, and we continue to lead the field by placing premium value on customer experience and consistent innovation. With over half a million customers, and an employee base comprising 99% trained Maldivians and presence throughout the country, we remain committed to enrich our customers' lives through digital services.

Dhiraagu brings the latest innovations and technology to help all our customers succeed in an increasingly connected world. We offer a comprehensive range of services spanning from mobile, internet, data, TV, mobile money and fixed services. We also ensure reliable international connectivity and coverage within the Maldives. We consider ourselves a partner for business growth and provide leading enterprise solutions and offer our customers peace of mind.

01

Developments During the Quarter



1.1 Summary

Dhiraagu ended the year with a 6% increase in revenue compared to the previous quarter, primarily driven by growth from roaming revenues with tourist arrivals increasing as the economic recovery continued. However, revenue was 18% lower than Q4 2019, due to the continued effect of the economic downturn across most business lines, due to the COVID-19 pandemic.

Net profit and EPS increased by 19% over the previous quarter mainly due to higher revenue and lower costs due to the continuation of cost optimization measures. However, net profit was 35% lower than Q4 2019 due to the continued effect of the economic downturn.

Cash flow before financing was higher than the previous quarter due to increase in operating performance and improvement in collections during Q4, following deterioration earlier in the year due to the economic downturn.

We continued making enhancements to our value propositions for the consumer segment. As part of this, we expanded Dhiraagu TV services to reach 77% of national households, ran year-end prepaid and FBB booster offers and launched the iPhone 12 series. The first Maldivian Augmented Reality (AR) mobile game "RB Quest" made a comeback with more exciting features enhancing digital youth offerings. To continue strengthening the digital payment sector, we partnered with Maldives Inland Revenue

Authority (MIRA), enabling customers to make payments to MIRA's 'VaaruPay' portal more conveniently via DhiraaguPay.

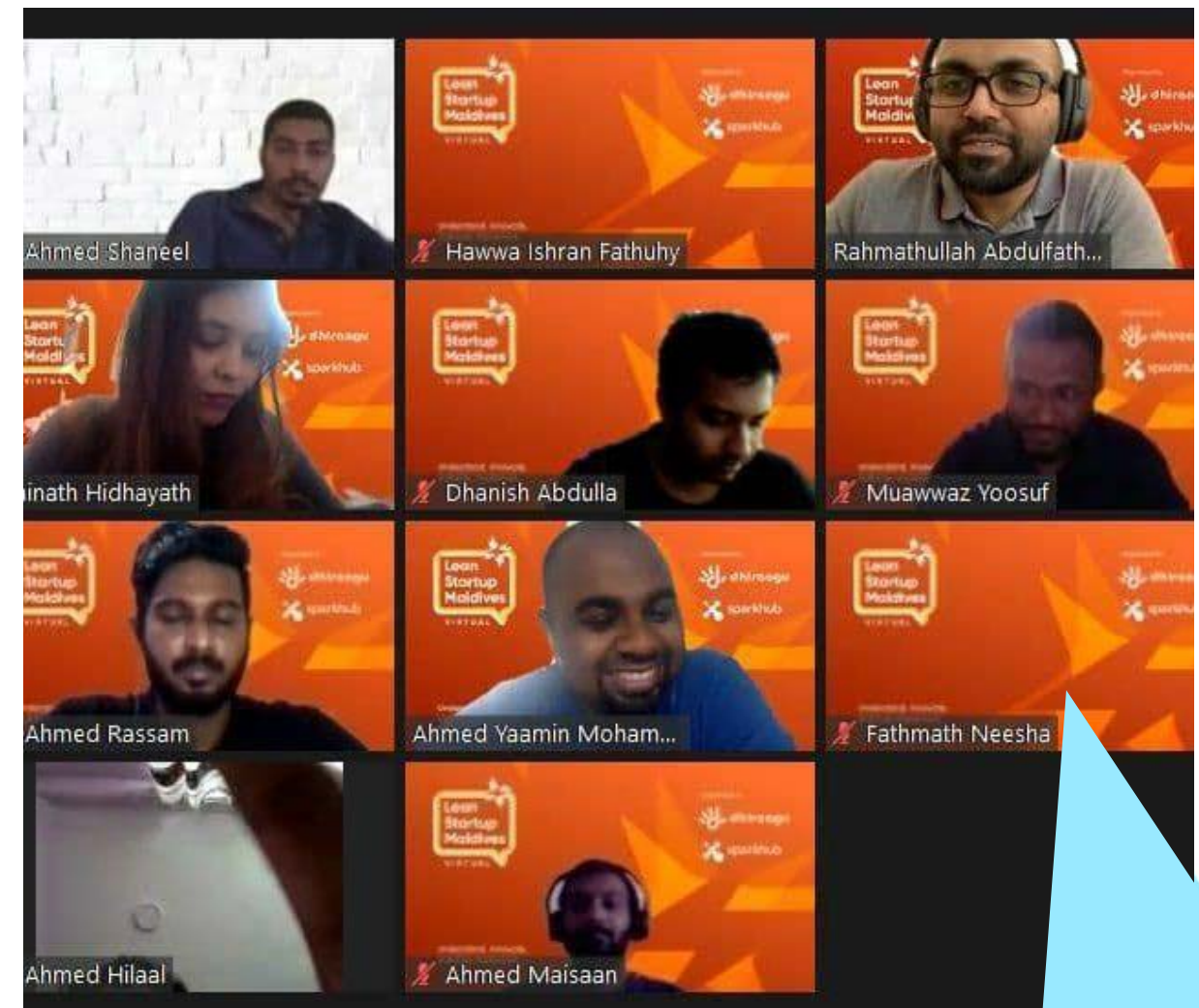
While the COVID-19 pandemic continues, we have extended free data support for students and teachers to continue supporting remote education as well as to staff and patients at quarantine facilities to ease their data needs. Additionally, we enhanced our enterprise portfolio by adding a much needed product in the current pandemic situation - to provide a localized smart monitoring solution with multi-services, simplifying security management and various other daily operational needs we announced Ecosys hospitality platform specially for resorts and similar facilities.

We ended the year by celebrating a major milestone with the Maldives - Sri Lanka Cable (MSC) landing in Maldives, which will enhance network diversity and provide increased internet capacity for the future needs of our customers and the nation.

We continued to support the community under our CSR programme. Highlights during the quarter included the introduction of the Girls to Code Thinadhoo programme and our support to the virtual Hour of Code in partnership with Women in Tech Maldives to inspire women and young people to join technology fields. As part of our focus to support the startup culture and innovation, we organized Lean Startup Maldives, a

virtual startup workshop in partnership with Sparkhub. Under our support for children, we donated computer systems, supported the renovation of computer labs, provided additional internet and Dhiraagu TV connections at the Kuda Kudhinga Hiya

orphanage in Villingili. We also committed to support the Himmafushi Council to develop a Children's Park which would serve as a much-needed valuable space in the island for children to play and lead an active life.



1.2 Key Commercial Highlights



DhiraaguTV

DhiraaguTV services was extended to additional islands, now reaching a total of 54 islands and 77% of national households. To further enhance the experience for our customers, we continued the special subscription promotion which allowed customers to enjoy their favorite channels for just MVR 450 per month.



DhiraaguPay

We partnered with Maldives Inland Revenue Authority (MIRA), enabling customers to make payments to MIRA's 'VaaruPay' portal more conveniently via DhiraaguPay.

We also launched a cash back promo on DhiraaguPay to further improve the value for our customers. All DhiraaguPay customers received 5% instant cash back on all payments, customers were entitled to receive up to MVR 100 per week.



Prepaid year end promo

Our prepaid customers were offered 100% extra allowance with every purchase of Data 75 Mini Bundle, allowing customers to save more on their top-ups during the new year period.



FBB booster promo

We introduced a very special promo on our Home Broadband Boosters. The promotion offered double the usual data on activating the boosters for the same price and ran until the end of the year.



Mamen streaming add-ons

All new Streaming, Social Media and Chat add-ons were introduced on Mamen to cater for the specific data needs of our customers. Our existing Mamen 25% discount for Add-Ons purchases offer was extended until the end of October.



RB Quest

We re-launched 'RB Quest' - the first Augmented Reality (AR) mobile game introduced in the Maldives. RB Quest returned with an improved gaming experience and a special promotion where all Dhiraagu customers including Mamen were offered the opportunity to win prizes.



Anniversary Campaign

To celebrate our 32-year anniversary, we launched an exclusive social media campaign which encouraged customers to share their best moments with Dhiraagu and win exciting giveaways.



iPhone12 Launch

We launched the new iPhone12 series with convenient payment plans and exclusive data offers for our customers.





Business & Government Segment – Mobile Data Offer extension

To support the Government and online education during the ongoing COVID-19 pandemic, we extended the following offers;

- 5 GB data for teachers and students in conjunction with the Ministry of Education.
- Free 10GB data through connect services for staff & people at quarantine facilities.



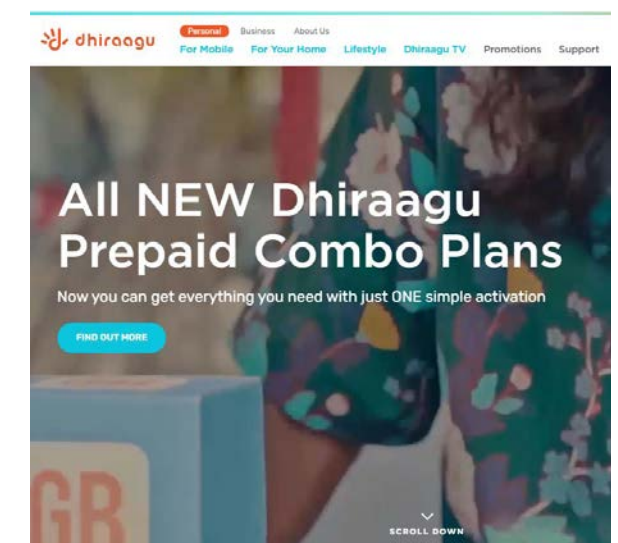
Ecosys Hospitality

We launched 'Ecosys' to support the hospitality industry in the Maldives by providing a localized smart monitoring solution with multi-services, simplifying security management and various other daily operational needs for resorts and similar facilities. The 'Ecosys' platform has been designed by Dhiragu based on discussions and research done together with the experts from the Hospitality industry in the Maldives.



Maldives-Sri Lanka Cable (MSC)

The Maldives-Sri Lanka Cable (MSC) landed successfully in the Maldives, connecting the coastal areas of Colombo to Hulhumale'. This project aims to minimize the risks of current single connectivity points by improving the diversity paths that connects Maldives with the rest of the world.



Website Revamp

We revamped Dhiragu Website as part of improving the digital experience for our customers by providing greater convenience and more simplicity at accessing information online.





Cyber Security Webinar

We conducted a Cyber Security Webinar for enterprise and government sector, with nearly 100 participant customers. This webinar helped in creating awareness on safety and security precautions when working online.



Sponsorships

During the quarter we offered sponsorship support and facilitated various social events and activities including:

- Digital Services Partner at IMTM 2020 virtual conference. Our digital hospitality solutions were presented to the industry professionals.
- Digital Services Partner at 1st Virtual National Quran Recitation Competition.
- Title Sponsor for Dhiraagu Dhivehi League.
- Digital Services Partner at Top Model Maldives 2020 by He & She.
- Digital Services Partner at Fashion in House by Dhivaas.
- Digital Services Partner at Signing Competition by MMAC.
- Digital Services Partner at Mix Team Championship by Badminton Association Maldives.



1.3 Organisational Highlights



Employee Training and Engagement

We strive to maintain our focus on our employee's professional development, health, safety, and engagement. During the quarter, we carried out a number of trainings under the 'WE'ALTHY-VIBE Campaign', our health and well being initiatives, and commenced a second round of the online learning challenge 'New-Normal Blitz' that culminated in over 436 learning hours by our staff. By the end of 2020, we achieved over 4,322 learning hours across the company.

Additionally, briefing and guidance sessions on individual development planning was carried out across all teams, and specialized insights on leadership and management teams' capabilities were surveyed for individual development planning purposes.



Employee Wellbeing and Health & Safety

During the quarter we carried out health and wellbeing sessions for our employees, which includes;

- Series of weekly virtual sessions under "WE'ALTHY-VIBE Campaign" for colleagues Wellbeing and Health.
 - Emotional Wellbeing sessions by Thiba Psychology.
 - Remote Physical Fitness sessions by Fit4Life.
- WE'ALTHY-VIBES monthly newsletter.
- Awareness on Workplace Harassment and Bullying, session by Maldives Police Service
- Return to Workplace in New Normal, COVID-19 SOPs updated and relevant communications released to all employees.

32nd Anniversary Virtual Event – 1st October

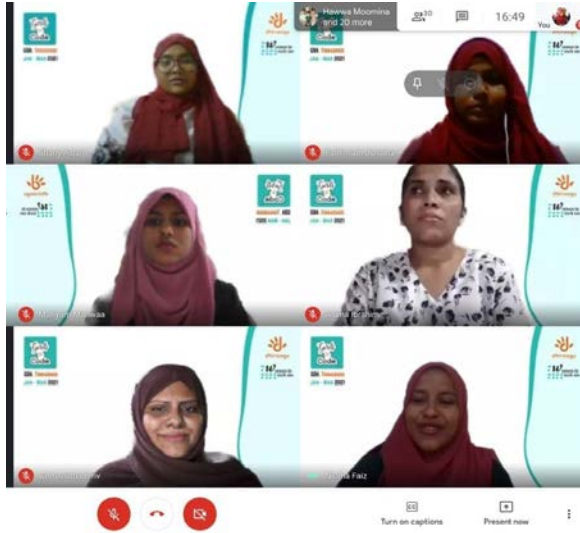
We celebrated our 32nd Anniversary at the start of the quarter with a virtual event to mark and celebrate the anniversary. Our CEO & MD addressed our colleagues and staff working in different work domains, namely, Sales, Marketing, Customer Solutions and Regions, presented video clips sharing their thoughts and experiences during the COVID-19 pandemic, remote working and returning to work in the new normal.



Long Service Awards 2019

Dhiragu Long Service Awards was held virtually via MS Teams on 24th December 2020. 65 of our colleagues have served more than 10 years at Dhiragu. Out of these 65 colleagues, 36 received 10 years of service award, 13 received 15 years of service award and 16 received 25 years of service award. Colleagues from different departments expressed their thoughts and shared their experience during the event. Names of the award winners was announced by our CEO & MD and Excom members.

1.4 Corporate Social Responsibility



Empowering Women and Young People

- We announced Girls to Code- Thinadhoo programme in partnership with Women In Tech Maldives, an exclusive opportunity for girls living in Thinadhoo to learn how to code and inspire them to join technology fields.
- In line with the computer science education week in December, we supported the virtual Hour of Code by Women in Tech Maldives to inspire young people and promote the importance of computer science and coding with 1300 participants across 20 atolls.

- As part of our focus to support the startup culture and innovation, we organized Lean Startup Maldives in partnership with Sparkhub. It was a virtual startup workshop focusing on training participants on lean methodologies, processes and on best practices for solutions development¹.

Care for Children

- We donated computer systems, supported the renovation of computer labs, provided additional Dhiragu Fiber Internet and DhiraguTV connections at the Kuda Kudhinge Hiya orphanage in Villingili.
- We committed to support the Himmafushi Council to develop a Children's Park in Himmafushi, which would serve as a much-needed valuable space in the island for children to play and lead a healthy and active life².

Footnote1: Under Regulation No. 2019/R-1050 listed companies are required to disclose any CSR activities undertook and spending for each activity if the total is more than or equal to MVR 100,000. Two of our CSR activities in this quarter falls under this category and has been disclosed in this report. The value of each has been rounded up to the nearest thousand. (MVR 150k for Lean Startup Maldives)

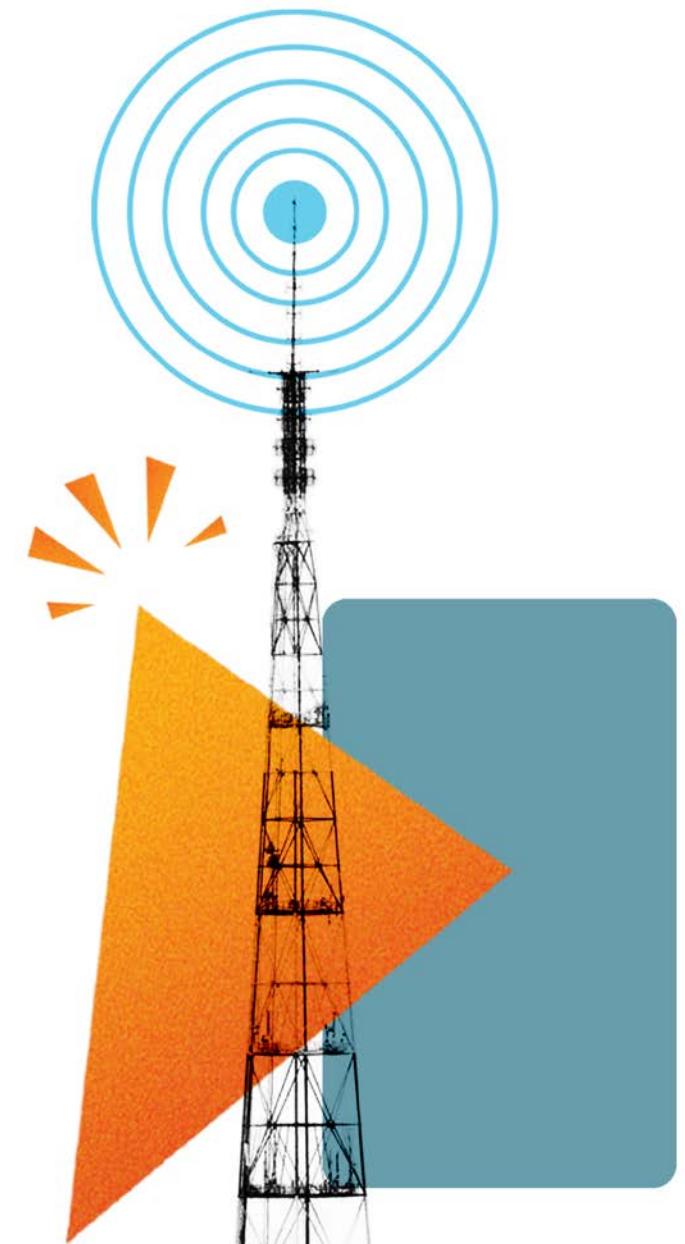
Footnote2: MVR 190k committed to the project, MVR 95k disbursed in Q4 2020





Care for Environment and Wellbeing

- We were a digital partner to support the special ceremony held in Addu Nature Park to celebrate the key milestone of Addu City being declared a new Biosphere Reserve.
- We communicated the project update on the data collection and creation of orthomosaic maps for all inhabited islands of Addu City under the Drones for Resilience Project we supported in partnership with UNDP Maldives. The drones for resilience project aims to empower and equip capacity building to undertake risk informed planning and make evidence-based climate action plans.
- On World Mental Health Day, we raised awareness and a special virtual session was arranged for our customer service teams to raise awareness on mental health in collaboration with Mental Health Awareness Foundation.
- Supported the Kulhudhuffushi Harbour Monitoring Desk by providing a LTE broadband connectivity to the facility which was established to monitor the traffic of people going in and out of Kulhudhuffushi.



02

Key Financial Highlights

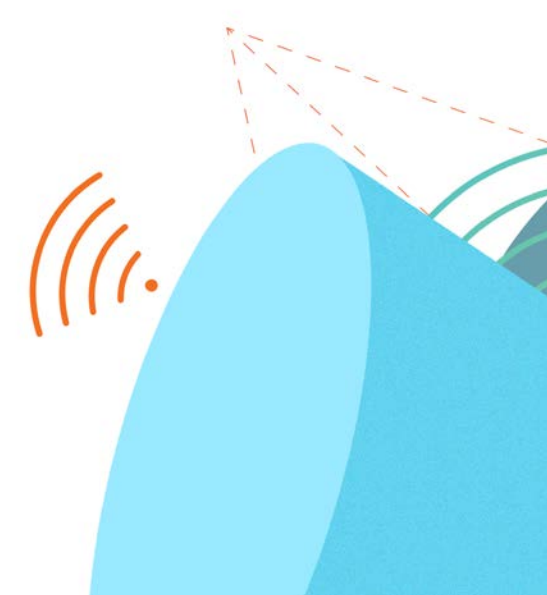


2.1 Balance Sheet (unaudited)

Q4 vs Q3

AS AT	Dec (Q4 2020) MVR "000"	Sep (Q3 2020) MVR "000"
ASSETS AND LIABILITIES		
Non-Current Assets		
Intangible Assets	306,550	299,667
Property, Plant and Equipment	1,811,154	1,750,770
Right of Use Asset	245,206	247,596
Deferred Tax Asset	7,943	11,408
Total Non-Current Assets	2,370,853	2,309,441
Current Assets		
Inventories	49,643	59,130
Trade and Other Receivables	709,323	776,120
Cash and Bank Balances	975,477	735,174
Total Current Assets	1,734,443	1,570,424
Total Assets	4,105,296	3,879,865
Current Liabilities		
Trade and Other Payables	(850,049)	(856,066)
Amounts Due to Related Party	(307,443)	(296,360)
Right of Use Liability – Current	(30,403)	(29,204)
Current Tax Liabilities	(66,162)	(36,464)
Total Current Liabilities	(1,254,057)	(1,218,094)

	Dec (Q4 2020) MVR "000"	Sep (Q3 2020) MVR "000"
Non-Current Liabilities		
Provisions	(136,925)	(133,730)
Right of Use Liability – Non-Current	(231,780)	(233,890)
Total Non-current Liabilities	(368,705)	(367,620)
Total Liabilities	(1,622,762)	(1,585,714)
Net Assets	2,482,534	2,294,151
Equity		
Share Capital	190,000	190,000
Retained Earnings	2,292,534	2,104,151
Total Equity	2,482,534	2,294,151



2.2 Income Statement (unaudited)

FOR THE QUARTER ENDED	Q4 vs Q3	
	Dec (Q4 2020) MVR "000"	Sep (Q3 2020) MVR "000"
Mobile Revenue	366,052	329,754
Fixed, Broadband & Enterprise	241,642	242,329
Others	13,865	14,691
Revenue	621,559	586,774
Operating Costs	(294,201)	(298,055)
Depreciation and Amortization	(97,934)	(96,449)
Other Income	350	143
Other Expenses		(169)
Results from Operating Activities	229,774	192,244
Net Financing Expense	(8,227)	(5,775)
Profit Before Tax	221,547	186,469
Tax Expense	(33,164)	(27,829)
Profit for the period	188,383	158,640

Share Performance Ratios

Basic Earnings Per Share (Annualized MVR)	9.92	8.36
Basic Earnings Per Share (Quarter MVR)	2.48	2.09

2.3 Statement of changes in equity (unaudited)

	Share Capital MVR "000"	Retained Earnings MVR "000"	Total MVR "000"
Balance at 30 Jun 2020	190,000	2,102,831	2,292,831
Profit for the period		158,640	158,640
Dividends		(157,320)	(157,320)
Balance at 30 Sep 2020	190,000	2,104,151	2,294,151
Profit for the period		188,383	188,383
Dividends			
Balance at 31 Dec 2020	190,000	2,292,534	2,482,534



2.4 Cash Flow Statement (unaudited)

FOR THE QUARTER ENDED	Q4 vs Q3	
	Dec (Q4 2020) MVR "000"	Sep (Q3 2020) MVR "000"
Net Cash Inflow from Operating Activities	410,977	197,896
Net Cash Outflow from Investing Activities	(88,331)	(29,736)
Net Cash Outflow from Financing Activities	(82,446)	(212,389)
Net Increase/(decrease) in Cash and Cash Equivalents	240,200	(44,229)
Cash and Cash Equivalents at beginning of the Period	719,688	763,917
Cash and Cash Equivalents at end of the Period	959,888	719,688



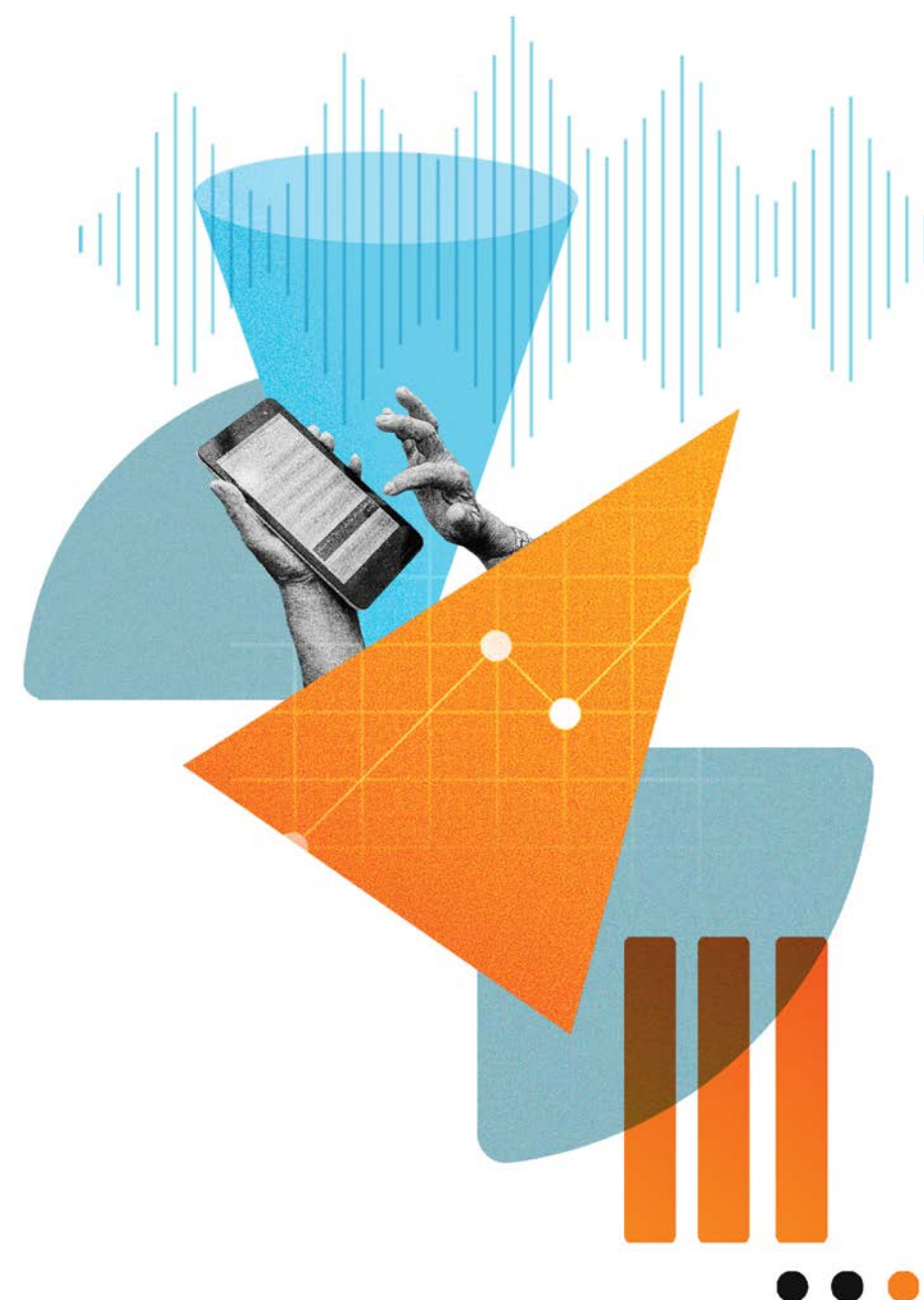
Ismail Rasheed
CEO & Managing Director



Robin Wall
Chief Financial Officer



Ahmed Abdulrahman
Chairperson, Audit Committee



03

Governance



3.1 Board Composition

No changes were brought to the composition of the Board during the fourth quarter of 2020. The Board composition as at 31 December 2020 was as follow.

Mr. Ismail Waheed

Chairperson, Director

Non-Executive & Independent
Chairperson, RNG Committee

Mr. Ahmed Abdulrahman

Deputy Chairperson, Director

Non-Executive & Independent
Chairperson, Audit Committee

Mr. Ihab Hinnawi

Director

Non-Executive & Independent
Member, RNG Committee

Mr. Imran Ali

Director

Non-Executive & Independent
Member, Audit Committee &
RNG Committee

Mr. Mikkel Vinter

Director

Non-Executive & Independent

Mr. Faisal Qamhiyah

Director

Non-Executive & Independent

Uza. Maryam Manal Shihab

Director

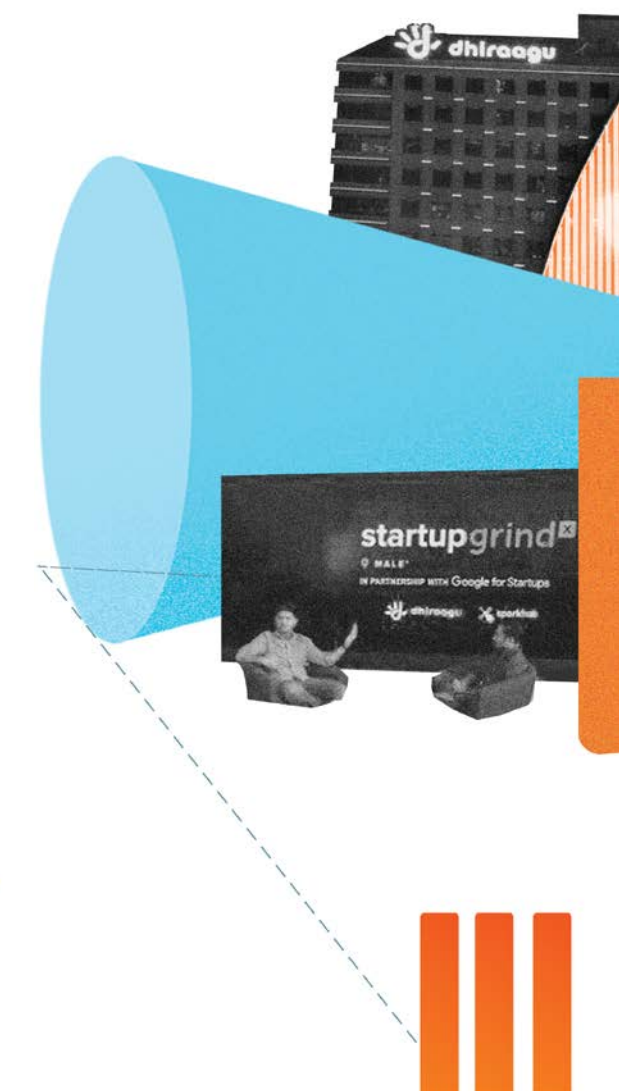
Non-Executive & Independent

Mr. Ismail Rasheed

Chief Executive Officer & MD

Executive & Non-Independent

RNG Committee = Remuneration, Nomination and Governance Committee



3.2 Board Activity

During the quarter, two Board Meetings, one Audit Committee Meeting and one Remuneration, Nomination and Governance Committee Meetings were held.

3.3 Board Decisions

Important Board decisions made during the quarter included:

- Approval of the strategy and budget for 2021.
- Approval of the write-off of MVR 27.7m bad debt per the Credit Control Policy.

3.4 Legal & Regulatory Compliance

The Company complied with the CMDA's Corporate Governance Code and Dhiraagu Corporate Governance Code during the quarter. Highlights include ensuring regular, timely and effective disclosures as required by the Code.

The company's Corporate Governance Code can be viewed in the investor relations section of the Dhiraagu website.

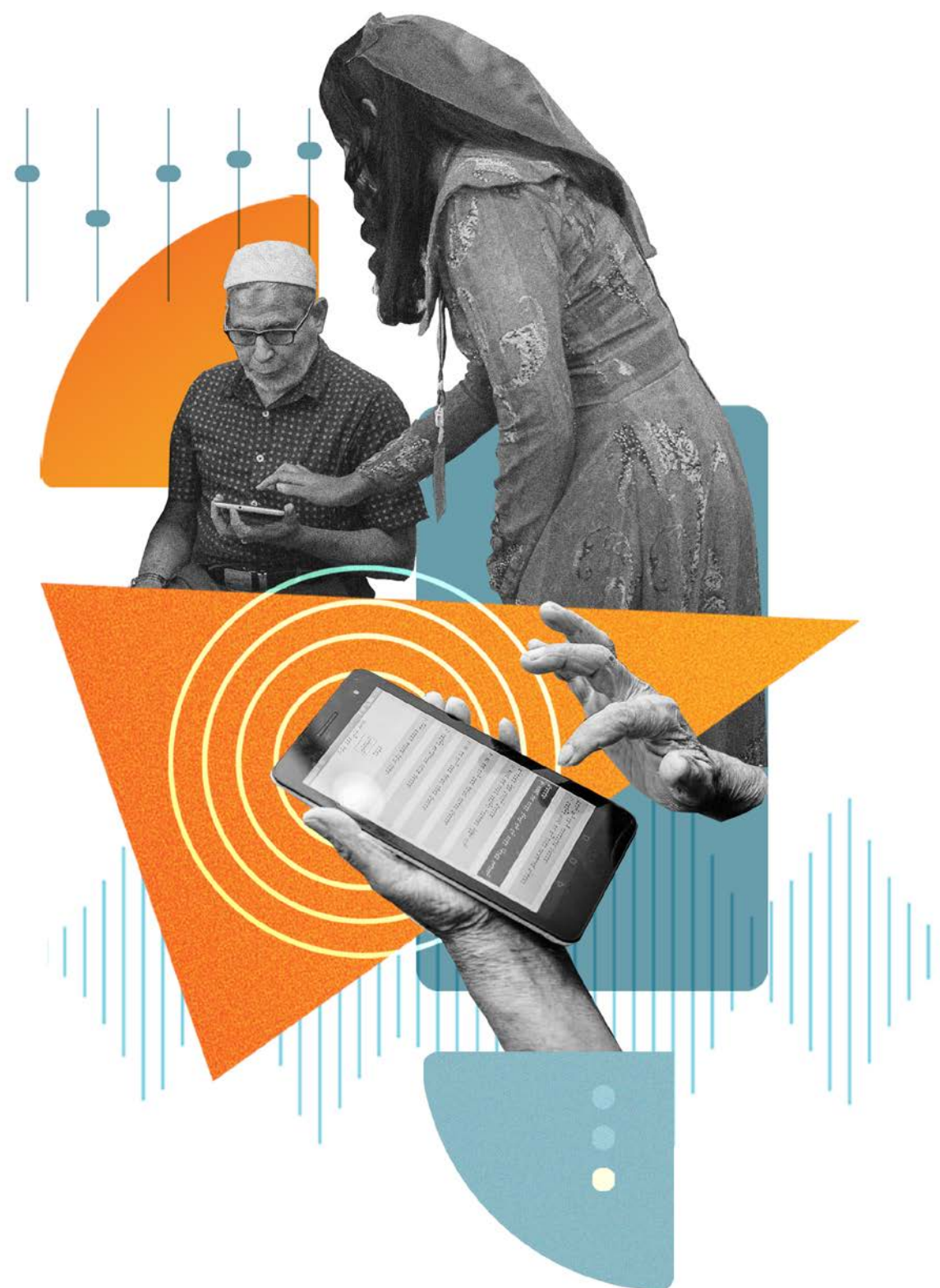
3.5 Reporting Compliance

This report has been prepared in compliance with CMDA's Minimum Criteria for Periodic Reporting for Listed Companies.



04

Investor Relations



4.1 Shareholding

The Company's shareholding as at 31st December 2020 was as follows:

Shareholding	%	No. of Shares
BTC Islands Limited (Batelco)	52.0%	39,520,000
Government of Maldives	41.8%	31,770,150
Public	6.2%	4,709,850
	100%	76,000,000

4.2 Trading Highlights

	Q4 2020	Q3 2020
Highest Traded Price (MVR)	110	120
Lowest Traded Price (MVR)	96	85
Last Traded Price (MVR)	96	100
Number of Shares Traded	1280	1760
Number of Trades	9	15
Weighted Average Traded Price (MVR)	100.23	101.08
Market Capitalization as at quarter end (MVR)	7.62bn	7.68bn

Market Capitalization = Weighted Average Traded Price x Outstanding Shares

4.3 Share Performance

	Q4 2020	Q3 2020
EPS (Annualized MVR)	9.92	8.36
P/E Ratio (Annualized)	10.10	12.09
Net Asset Per Share (MVR)	32.66	30.19
Dividend Yield	11.9%	11.9%
Cash flow per share (MVR)	12.63	9.47

