



QUARTER 4

REPORT 2016 (Revised)

October to December



DEVELOPMENTS

01 DURING THE QUARTER

1.1 SUMMARY

Dhiraagu delivered positive results in the final quarter of 2016. Revenue increased by 4% compared to the previous quarter to MVR 642m. Growth on mobile data and enterprise revenues contributed to these results, continuing the strong performance throughout the year.

Net profit and earnings per share reduced by 8% compared to the previous quarter, mainly

due to higher cost of sales and operating costs incurred on the domestic submarine cable repair between Alif Dhaalu and Laamu Atoll.

A net cash inflow of MVR 396m for Q4 left the company with a strong cash position of MVR 651m at the close of the year.

1.2 OPERATIONAL HIGHLIGHTS

Key operational highlights during the 4th quarter include:

Dhiraagu's 28th Anniversary Offer

Rewarded all Dhiraagu broadband and mobile data customers with 28% extra free data as a gesture of appreciation, to celebrate Dhiraagu's 28th Anniversary.

Fiber Broadband Rollout

Established a fibre network Villimale and L.Gan to provide customers with high-speed broadband service.

Residential broadband

Introduced special residential broadband packages to an additional 8 atolls.

Introduced new B2B internet packages

Revamped and launched dedicated internet packages for the business market.

Nationwide Expansion of 4G LTE

Commenced the 2017 4G expansion project to rollout service across the entire country.

PostPaid New Connection Offer

Launched a promotion targeting postpaid new subscriptions and offering exciting prizes of 6 weekly holiday trips to Dubai.

Launched Wholesale Internet

Revamped and launched dedicated internet packages for the wholesale market.

Launch of iFlix

Dhiraagu launched iFlix in the Maldives, introducing an extensive video library of entertainment, available on demand.

Launch of Shaw Academy online courses

Launched online education platform 'Shaw Academy' to provide a wide range of courses targeting youth development with a free course offered for every registered customer.

Repair Work on Submarine Cable Link

Following a fault, a major repair work was completed on the domestic submarine cable

link between Alif Dhaalu and Laamu Atoll during December 2016.

Teacher's Day Special Offer

Introduced special mobile broadband packages for teachers on the occasion of Teacher's Day. A 50% special discount was also offered on the monthly rental on all Mobile Postpaid and Mobile Broadband Plans.

SMS Promotion

To boost the usage of SMS service, 8 rounds of 'SMS Hero' contest were conducted, awarding smartphones to lucky winners every week.

1.3 CORPORATE SOCIAL RESPONSIBILITY

Key CSR initiatives during Q4:

- Launched "For The Oceans" campaign in collaboration with Parley Maldives, encouraging all staff and public to use reusable bags and to reduce single-use plastic bags. This also included a company-wide initiative to reduce single-use plastic water bottles.
- With 3,000 participants, organised the Dhiraagu Maldives Road Race 2016 for the 10th consecutive year. The run was endorsed by the international distance running body of AIMS, and was a major platform for NGOs working in the area of Child protection and support to raise funds and create awareness.
- Donated financial grants of MVR 200,000 to 5 local NGOs endorsed in the Dhiraagu Maldives Road Race 2016.
- Enrolled 25 new apprentices in Dhiraagu Apprenticeship Program, an educational and training programme targeted for youth to enhance work skills development.

- 200 children participated in Dhiraagu Special Sports Festival 2016, an annual event organized and driven by Dhiraagu for children with disabilities in collaboration with various NGOs.
- Provided a special Add-On to the “Blind & Visually Impaired Society of Maldives” enabling all their members across the country to use mobile conference calling service free of charge.
- Donated oxygen concentrators to regional hospitals in 4 atolls.
- Provided Mega Access Network solution free of charge for the “Centre for Holy Quran” to digitally connect and conduct classes across five atolls.
- Contributed computer systems to Kuda Kudhinge Hiya and organized a children’s evening at the orphanage during school holidays.

BOARD

02 ADMINISTRATION

2.1 BOARD COMPOSITION

The Government of Maldives appointed Mr. Ahmed Mohamed Didi (Dhandi Magu, Dhoores, Gn. Fuvah Mulah) as a Non-Executive Director of Dhiraagu effective from 2nd November 2016. With this appointment the Board of Directors comprised of the following members at the close of the fourth quarter.

Name	Position
Mr. Mohamed Ashmalee	Chairperson
Mr. AbdulRahman Fakhro	Deputy Chairperson
Dr. Ahmed Abdulqader	Non-Executive & Independent Director
Mr. Raed Fakhri	Non-Executive & Independent Director
Mr. Ihab Hinnawi	Non-Executive & Independent Director
Mr. Abdulla Ahmed	Non-Executive & Independent Director
Mr. Ahmed Mohamed Didi	Non-Executive & Independent Director
Mr. Imran Ali	Non-Executive & Independent Director
Mr. Ismail Rasheed	Chief Executive Officer & MD

2.2 BOARD ACTIVITY

Frequency of Board and committee meetings held during the quarter are as follows:

Board	Audit Committee	RNG Committee
2	1	1

2.3 BOARD DECISIONS

Board activities during the Quarter includes:

- Approval of the Company's Strategy and Business plan for 2017 to 2021.
- Approval of the reviewed financial statements for Q3 2016.

03 SHARE INFORMATION

3.1 SHAREHOLDING

The company's shareholding as at 31st December 2016 was as follows:

Shareholding	%	Number 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

3.2 SHARE TRADING & PERFORMANCE

	Q4 2016	Q3 2016
Highest Traded Price (MVR)	83	85
Lowest Traded Price (MVR)	80	81
Last Traded Price (MVR)	81	81
Number of Shares Traded	1,020	1,110
Number of Trades	8	17
Weighted Average Traded Price (MVR)	81.59	82.50
Market Capitalization as at quarter end	6.16 bn	6.16 bn
EPS (Annualized MVR)	9.84	10.72
P/E Ratio (Annualized)	8.29	7.56
Net Asset Per Share (MVR)	33.06	30.60
Dividend Yield	N/A	N/A

FINANCIAL

04 STATEMENTS

4.1 BALANCE SHEET (UNAUDITED)

AS AT	31-Dec-16 MVR "000"	30-Sep-16 MVR "000"
ASSETS AND LIABILITIES		
Non-Current Assets		
Intangible Assets	162,970	166,280
Property, Plant and Equipment	1,819,023	1,689,691
Deferred Tax Asset	9,273	16,862
Total Non-Current Assets	1,991,266	1,872,833
Current Assets		
Inventories	38,203	37,975
Trade and Other Receivables	365,986	352,908
Cash and Bank Balances	1,048,902	774,822
Total Current Assets	1,453,091	1,165,705
Total Assets	3,444,357	3,038,538
Current Liabilities		
Trade and Other Payables	(701,134)	(518,000)
Amounts Due to Related Party	(323)	(22)
Current Tax Liabilities	(77,312)	(52,331)
Total Current Liabilities	(778,769)	(570,353)
Non-Current Liabilities		
Provisions	(153,109)	(142,630)
Total Non-current Liabilities	(153,109)	(142,630)
Total Liabilities	(931,878)	(712,983)
Net Assets	2,512,479	2,325,555
Equity		
Share Capital	190,000	190,000
Retained Earnings	2,322,479	2,135,555
Total Equity	2,512,479	2,325,555

4.2 INCOME STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED	31-Dec-16 MVR "000"	30-Sep-16 MVR "000"
Revenue	642,589	616,694
Operating Costs	(332,900)	(270,859)
Depreciation and Amortization	(82,241)	(99,825)
Other Income/(Expense)	786	(946)
Results from Operating Activities	228,234	245,064
Net Finance Expense	(8,330)	(3,894)
Profit Before Taxation	219,904	241,170
Income Tax Expense	(32,980)	(37,756)
Net Profit	186,924	203,414

Share Performance Ratios

Basic Earnings Per Share (Annualized MVR)	9.84	10.72
Basic Earnings Per Share (Quarter MVR)	2.46	2.68

4.3 CASHFLOW STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED	31-Dec-16 MVR "000"	30-Sep-16 MVR "000"
Net Cash Inflow from Operating Activities	350,913	334,775
Net Inflow/(Outflow) from Investing Activities	53,993	(162,746)
Net Outflow from Financing Activities	(8,688)	(455,763)
Net Increase/(Decrease) in Cash and Cash Equivalents	396,218	(283,734)
Cash and Cash Equivalents at beginning of the Period	254,395	538,129
Cash and Cash Equivalents at end of the Period	650,613	254,395



Robin Wall
 Chief Financial Officer



Ismail Rasheed
 CEO & Managing Director

LEGAL & REGULATORY

05 COMPLIANCE

5.1 COMPLIANCE TO CMDA CORPORATE GOVERNANCE CODE

The company complied with the CMDA's Corporate Governance Code and the 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: https://www.dhiraagu.com.mv/Corporate_Governance.aspx.

5.2 REPORTING COMPLIANCE

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