



Minutes of Annual General Meeting 2013 of Dhivehi Raajjeyge Gulhun Plc

8th May 2014
Traders Hotel
Male', Maldives

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A. OPENING AND QUORUM

1. The Annual General Meeting 2013 of Dhivehi Raajjeyge Gulhun Plc (Dhiraagu) held on 8th of May 2014, at Traders Hotel, Male', Maldives commenced with the recitation of the Holy Qur'an.
2. Having the required quorum of minimum 5 Shareholders representing a minimum of 20% of the Company's share capital as required under the Company's Articles of Association, the Chairperson Mr. Riluwan Shareef declared the meeting open at 8:40pm with the presence of 23 Shareholders in person and 1045 represented by proxies, representing a total of 71,515,693 shares.

B. IN ATTENDANCE

3. Board of Directors

Mr. Riluwan Shareef (Chairperson/Non-executive Director Government of Maldives)

Mr. AbdulRazak Al Qassim (Deputy Chairperson/Non- executive Director Batelco Group)

Mr. AbdulRahman Yusuf Fakhro (Non-executive Director Batelco Group)

Mr. Ihab Al Hinnawi (Non-executive Director Batelco Group)

Mr. Ismail Waheed (Executive Director/Chief Executive Officer & Managing Director)



4. Mr. Ibrahim Shareef Mohamed (Independent Director) was unable to attend the Meeting and sent his sincere apologies.

5. Ms. Asiath Rilweena (Company Secretary/Manager Investor Relations)

6. Auditors

Mr M.N.M Shameel, Partner of the Company's External Auditor, KPMG Ford, Rhodes, Thornton & Co. (Chartered Accountants) was present.

7. Lawyers

Mr. Shahdy Anwar, a partner of Company's external lawyers Suood & Anwar LLP. was present.

8. Regulators

Mr. Hassan Manik (Managing Director, Maldives Stock Exchange)

Mr. Mujthaba Moosa (Officer, Maldives Stock Exchange)

Mr. Muznee Mohamed (Senior Manager, Capital Market Development Authority)

9. Dhiraagu Senior Management

Mr. Ismail Rasheed (Chief Executive)

Mr. Avnish Jindal (Chief Financial Officer)

Mr. Ishaag Usman (Financial Planning and Analysis Manager)

C. AGENDA

10. Chairperson read out the Agenda for the Meeting published on the 24th of April 2014 in compliance with the legal and regulatory requirements) which reads as follows:

- i. Recitation of the Holy Qur'an.
- ii. Welcome Address and Introduction of Board Members
- iii. Passing the Minutes of the 24th Annual General Meeting.
- iv. Passing of Resolution to Elect the Independent Director for the Company.
- v. Passing of Resolution to Approve the Directors' Report and Audited Financial Statements for the period ending 31st December 2013.
- vi. Passing of Resolution to Approve Final Dividend for the period ending 31 December 2013.
- vii. Passing of Standing Resolution to Offer Interim Dividend for the year 2014.
- viii. Passing of Resolution to Re-appoint KPMG (Chartered Accountants) as the Auditor of the Company for the financial year 2014.
- ix. Any Other Business.



11. The Agenda of the Meeting was approved and adopted by the Shareholders.

12. The Chairperson highlighted the following as housekeeping matters:

- Requested everyone present at the Meeting to switch mobile phones to silent mode;

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- A general Q&A Session will be held at the end of the Meeting – but upon introduction of each resolution, time will be given for Shareholders to ask specific questions in relation to the resolution prior to being tabled for voting;
- Participation in the Q&A sessions during the Meeting will be limited solely to the Shareholders/Proxies present;
- Press is welcome to put upon conclusion of the AGM a press conference will be held by the Board of Directors for the Media.

D. MINUTES OF MEETING OF PREVIOUS YEARS' GENERAL MEETING

13. The Minutes of the 24th General Meeting was published on the Company's Official Website on the 13th of March 2014, requesting shareholders to submit comments and amendments to the minutes. No requests were received to the call for comments, and as there were no requests for amendments from the Shareholders/Proxies at the Meeting, the Minutes of Previous years' General Meeting was taken as correct and adopted.

E. NOTICE

14. In compliance with the legal and regulatory requirements, the Notice of Meeting, together with explanatory notes, was published on Dhiraagu's website as well as Haveeru Daily Newspaper on 24th of April 2014, announcing 8th of May 2014 as the date for the Annual General Meeting.
15. With the Shareholders' consent, the Notice of the Meeting was taken as read by the Chairperson.



F. REVIEW OF THE YEAR

16. A video illustrating the overview of the Company and its performance during the Financial Year 2013 focusing on the following aspects were shown:
- Background of the Company;
 - Telecommunications Network of the Company;
 - Distribution Network of the Company;

- Company Employees;
- Corporate Social Responsibility of the Company;
- Share Structure of the Company and details of new majority Shareholder, Bahrain Telecommunications Company B.S.C;
- Financial Highlights for the period ending 31st December 2013;
- Information on Dividend Declaration for the 9 month ending 31st December 2013.

G. VOTING PROCEDURE

17. Chairperson outlined the rules and procedure for voting in the Meeting as per the Company's Articles of Association (Articles 58 and 59):

- voting is to be conducted and any resolution put to vote at the Meeting will be decided on a show of hands i.e. one vote per shareholder (unless a poll is demanded);
- a poll may only be called whereby it is demanded by Shareholder(s) (and/or their proxies) present at the Meeting who have at least ten per cent (10%) of the total of all Shareholders who have the right to vote at the Meeting;
- on a poll, every Shareholder present in person or represented by proxy will have one vote for every share he or she holds;
- as the resolutions proposed are ordinary resolutions, a simple majority of 51% of those shareholders/proxies present at the Meeting is required for the resolutions to pass.



18. The Chairperson announced that as total number of Shareholders present/represented at the Meeting were 1,068 (23 by person and 1045 by proxy), a minimum of 535 votes in favour was required for a resolution to pass.

H. RESOLUTION TO ELECT INDEPENDENT DIRECTOR

19. The first resolution relates to the Election of the Independent Director. The Articles of Association of the Company at Article 70(B)(iii) states that an Independent Director shall be elected by the Shareholders at a General

Meeting (where the Shareholders exclude the Government of Maldives and Batelco).

20. The 'Notice for Nomination for the Independent Director' (Notice) and the 'Application Form for Directorship of Dhiraagu Plc' (Application Form) were published on 25th of February 2014, with the 20th of March 2014 as the deadline for submission and set out the Evaluation Criteria as decided by the Remunerations & Governance Committee ("Committee"). The Notice was published on the Company's website and on Haveeru news media.
21. A total of 5 completed Application Forms were received before the deadline. Evaluations were carried out by the RNG Committee. As all the applicants met the criteria set out by the Committee, the Directors are proposing the names and biographical data of

- i. Ms Fathimath Niuma
- ii. Ms Fathimath Sujatha Haleem
- iii. Mr Imran Ali
- iv. Mr Ismail Mukhthaba
- v. Dr Hassan Zahir

to be elected for the position of Independent Director of the Company Board of Directors until the conclusion of the next Annual General Meeting of the Company.



22. As the Shareholders did not have any specific questions in relation to the proposed Resolution, the Chairperson then requested for the voting to begin.
23. Voting was conducted on a show of hands, and the results were as follows.

	Votes in favour
Fathimath Niuma	0
Fathimath Sujatha Haleem	486
Imran Ali	575
Hassan Zahir	2
Ismail Mukhthaba	0

24. Having received 575 votes in favour, the Chairperson declared that the Shareholders have **RESOLVED** to appoint Mr. Imran Ali as the Independent

Director to the Company's Board of Directors until the conclusion of the next Annual General Meeting of the Company.

25. Mr Imran Ali was invited to join the Board of Directors.

I. RESOLUTION TO APPROVE THE DIRECTORS' REPORT AND ANNUAL AUDITED ACCOUNTS

26. The next Resolution proposed by the Board of Directors to the Shareholders was to approve Directors' Report and Annual Audited Accounts for the Financial Year ending 31st December 2013.
27. As the Shareholders did not have any specific questions in relation to the proposed Resolution, the Chairperson presented the Directors' Report and the Annual Audited Accounts for the Financial Year 2013 for the Shareholders' consideration and approval.
28. The Shareholders **RESOLVED** to adopt the Directors' Report and the Annual Audited Accounts for the Financial Year 2013 with 1,049 Shareholders voting in favour.



J. RESOLUTION TO APPROVE FINAL DIVIDEND

29. The third Resolution proposed by the Board of Directors to the Shareholders was to approve a final dividend of MVR 5.73 per ordinary share amounting to a total dividend of MVR 434.9 million (equivalent to USD 28.2 million) for the financial year 31 December 2013.
30. Prior to tabling the Resolution for Shareholder consideration, the Chairperson invited shareholders to raise any questions to the floor.
31. As the shareholders had no questions, the Chairperson proposed to the Shareholders to declare and approve a final dividend of MVR 5.73 per ordinary share amounting to a total dividend of MVR 434.9 million (equivalent to USD 28.2 million) for the 9 month ending 31 December 2013 to Shareholders registered with the Company at the close of business on 1st of May 2014 in respect of shares registered then in their names.

32. A final dividend of MVR 5.73 per ordinary share amounting to a total dividend of MVR 434.9 million (equivalent to USD 28.2 million) for the financial year 31 December 2013.
33. With 1,052 Shareholders voting in favour, the Shareholders **RESOLVED** to declare approve a final dividend of MVR 5.73 per ordinary share amounting to a total dividend of MVR 434.9 million (equivalent to USD 28.2 million) for the 9 month ending 31 December 2013 to Shareholders registered with the Company at the close of business on 1st of May 2014 in respect of shares registered then in their names.

K. STANDING RESOLUTION TO DECLARE INTERIM DIVIDEND

34. The fourth Resolution proposed by the Board of Directors to the Shareholders was to approve a Standing Resolution granting authority to the Board of Directors to declare an Interim Dividend in accordance with the Company's Dividend Policy during the Financial Year 2014.
35. Following the same process which was adopted in the previous two years on the subject, the Chairperson proposed that the Shareholders approve a Standing Resolution granting authority to the Board of Directors to declare an Interim Dividend during the Financial Year 2014.
36. There being no questions, the Chairperson then tabled the Resolution requesting the Shareholders to approve a Standing Resolution granting authority to the Board of Directors to offer an Interim Dividend to Shareholders in respect of any dividends paid or declared before the Annual General Meeting in 2015 during the Financial Year 2014 in accordance with the Company's Dividend Policy.
37. With 1,053 Shareholders voting in favour, it was **RESOLVED** by the Shareholders to approve a Standing Resolution granting authority to the Board of Directors to declare any Interim Dividend in accordance with the Company's Dividend Policy during the Financial Year 2014.



L. RESOLUTION TO RE-APPOINT AUDITORS

38. The final Resolution proposed by the Board of Directors to the Shareholders was to appoint and set the remuneration of the Company's auditors until the conclusion of the next Annual General Meeting to carry out the year end statutory audit of the Company for the financial year 2014.
39. As per recommendation from the Audit Committee the Board of Directors wishes to recommend to the Shareholders to re-appoint KPMG Ford, Rhodes, Thornton & Co. (Chartered Accountants) as the Company's Auditors, to hold office until the conclusion of the next Annual General Meeting, and to set the Auditors' remuneration at a maximum cap of USD 35,000.00 during the appointed term to carry out the year-end statutory audit of the Company for the financial year 2014.
40. There being no specific questions from the Shareholders, the Chairperson proposed to the Shareholders to appoint and re-elect re-appoint KPMG Ford, Rhodes, Thornton & Co. (Chartered Accountants) as the Company's Auditors, to hold office until the conclusion of the next Annual General Meeting, and to set the Auditors' remuneration at a maximum cap of USD 35,000.00 during the appointed term to carry out the year-end statutory audit of the Company for the financial year 2014.
41. The Shareholders considered the proposal from the Board of Directors and **RESOLVED** to appoint and re-elect KPMG Ford, Rhodes, Thornton & Co. (Chartered Accountants) as the Company's Auditors, to hold office until the conclusion of the next Annual General Meeting, and to set the Auditors' remuneration at a maximum cap of USD 35,000.00 during the appointed term to carry out the year-end statutory audit of the Company for the financial year 2014 with 1,053 Shareholders voting in favour.

**M. ANY OTHER BUSINESS**

42. The Chairperson opened the floor for the Shareholders and Proxies to table any other matters. There being no other matters proposed by the Shareholders, the Chairperson moved to the next item on the Agenda.

N. GENERAL Q&A SESSION

43. The Chairperson then opened the floor to all Shareholders and Proxies to ask questions – whether in relation to the Meeting or generally about the Company.
44. Mr. Mohamed Farshath¹ (H. Two-Hearts, Male) observed that the practice of show of hands does not restrict shareholders to vote more than once (in the instance of the election of the independent director), and hence might be confusing when there are more applicants proposed for the position. He recommended that the Company uses the practice that is adopted by other listed companies by using ballots in counting the votes.
45. Mr Farshath also noted that as one single shareholder have proxies for more than 51% of shareholders represented in the meeting, it gives him a possibility to jeopardize the adoption of a resolution, and requested to know what the next steps would be if he refuses to vote.
46. The Chairperson welcomed the comments and responded that the observations and suggestions will be considered for the next AGM.
47. With leave from the Chairperson, Mr. Mohamed Farshath then congratulated Mr Imran Ali, and all the other Directors who have joined the Board since the last AGM. He then raised concern over payment of dividend to major shareholders in US\$, when the other shareholders are paid in MVR, especially as all shareholders are ordinary shareholders.
48. Chairperson responded that Dividends are declared in Maldivian Rufiyaa as reported in the Annual Reports. Further he added that dividends have always been paid in US\$ to the majority foreign shareholders, as there was an understanding between the Government of Maldives and the previous shareholder CWC, that CWC, being a non-resident foreign company, will have the right to repatriate their dividends in foreign currency, and the Company has been facilitating this. This provision holds now as well, and this is stated in the shareholders agreement between the Government and CWC and also in the Foreign Investment Agreement. The Chairperson added that the Company



¹ (A042814)

is not making any exception to any shareholders by allowing Batelco to repatriate their dividend in US\$. The question actually is the issue of transaction, and this is an issue which is being reviewed by the Board.

49. The Chairperson also noted that there is no restriction on the company to pay US\$ dividends to the minority shareholders but there is no rationale for that because the Company's accounts are prepared in MVR and the dividend is declared in MVR.
50. Mr Mohamed Farshath then noted that the accounts shows that the Company is bearing the cost of transaction which is a burden to all the other shareholders. He noted that the foreign company is free to repatriate their dividend in any currency they wish, but it is unfair for the rest of the shareholders to be bearing the cost as well. Mr Farshath observed that there is written documents clarifying this practices and wondered what the Regulator CMDA is doing about it.
51. The Chairperson responded that if required a Board resolution can be generated. The Chairperson also reminded the shareholders that the company is buying foreign exchange not only to pay dividend to one shareholder, but to meet the overall foreign currency shortage the company has for its operations, including the payment of dividends to its shareholders. He also reminded that the cost of buying foreign currency is high because not enough foreign currency is available through the banking system, in which case there would not be a transaction cost as it would be bought at the official exchange rates. On a positive note, the Chairperson added that the foreign exchange conditions appears to be improving, and noted that the cost of purchasing foreign exchange have now reduced by more than 50% because the supply has improved in the market.



O. CONCLUSION

52. The Chairperson concluded the business of the Meeting and thanked especially the Shareholders for attending and contributing to the Meeting.

53. With the consent of the Shareholders, the Chairperson declared the Annual General Meeting of Dhivehi Raajjeyge Gulhun Plc for the Financial Year 2013 closed at 10:45pm.

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Chairperson:

Date: 16 APRIL 2015

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Company Secretary:

Date: 16 APRIL 2015



ANNEX 1 – Summary of Attendance at the Annual General Meeting 2013.Shareholders Present in Person

1. Mr. Mohamed Ahmed
2. Ms. Aishath Hussain Manik
3. Ms. Aminath Fareesha
4. Mr. Imran Ali
5. Mr. Abdulla Nisam
6. Mr. Hussain Siraj
7. Mr. Mohamed Shahid
8. Ms. Athifa Ali
9. Mr. Ismail Rasheed
10. Mr. Giyas Haneef
11. Ms. Fathimath Sujaatha Haleem
12. Mr. Mohamed Farshath
13. Mr. Hassan Rasheed
14. Mr. Hussain Rasheed
15. Mr. Aiman Ibrahim
16. Mr. Mohamed Shiyaz
17. Mr. Fathuhulla Jameel
18. Mr. Abdul Haleem Abdul Shakoor
19. Mr. Abdul Majeed Mohamedu Risvi
20. Mr. Mohamed Ibrahim Mohamed Irshad
21. Mr. Adam Athif
22. Mr. Ahmed Shujau
23. Mr. Mohamed Shafau Hassan



Shareholders Represented by Proxies

Mr. Faisal Qamhiyah (to represent and vote on behalf of BTC Islands Limited)

Mr. Mohamed Nizar (to represent and vote on behalf of the Government of Maldives)

Mr. Mohamed Shafau Hassan (to represent and vote on behalf of 569 Shareholder)

Ms. Fathimath Sujatha Haleem (to represent and vote on behalf of 466 Shareholder)

Ms. Miruza Mohamed (to represent and vote on behalf of 5 Shareholder)

Ms. Aminath Shahma Haleem (to represent and vote on behalf of 1 Shareholder)

Mr. Mohamed Azim (to represent and vote on behalf of 1 Shareholder)

Mrs. Aishath Hassan Manik (to represent and vote on behalf of 1 Shareholder)

