

**DRAFT MINUTES OF THE 28TH ANNUAL GENERAL MEETING  
(2017) OF DHIVEHI RAAJJEYGE GULHUN PLC**

**20<sup>th</sup> April 2017**

**National Art Gallery**

**Male', Maldives**

**Contents**

A. Opening and Quorum.....	2
B. In Attendance.....	2
C. Agenda.....	3
D. Minutes of Meeting of Previous Years' General Meeting .....	3
E. Notice .....	4
F. Review of the Year .....	4
G. Voting Procedure.....	4
H. Summary of the Resolutions.....	4
I. Resolution to Approve the Directors' Report and Annual Audited Accounts For the Year Ended 31st December 2016 .....	5
J. Resolution to Approve the Full year and Final Dividend for 2016.....	5
K. Resolution to Re-appoint auditors.....	5
L. Standing Resolution to Declare Interim Dividend .....	6
M. Any Other Business.....	7
N. General Q&A Session .....	7
O. Conclusion.....	9

**A. OPENING AND QUORUM**

1. The 28<sup>th</sup> Annual General Meeting of Dhivehi Raajjeyge Gulhun Plc (Dhiraagu) commenced with the recitation of the Holy Quran.
2. The Chairperson Mr. Mohamed Ashmalee declared the meeting open at 8:38pm announcing that the meeting was quorate with the presence of 33 shareholders (representing 93.9% of the share capital).
3. The Chairperson extended a warm welcome to all the shareholders and special invitees of the meeting. A special note of appreciation was made to the Chairperson of Batelco Group Sheikh Mohamed Bin Khalifa Al Khalifa, for honouring the meeting with his presence.

**B. IN ATTENDANCE****4. Board of Directors in attendance**

Mr. Mohamed Ashmalee (Chairperson/Non-Executive Director)  
Mr. AbdulRahman Yusuf Fakhro (Deputy Chairperson/Non-Executive Director)  
Mr. Ihab Al Hinnawi (Non-Executive Director)  
Dr. Ahmed AlQader (Non-Executive Director)  
Mr. Ismail Rasheed (Executive Director/Chief Executive Officer & Managing Director)  
Mr. Imran Ali (Non-Executive Director)  
Mr. Ahmed Mohamed Didi (Non-Executive Director)

**5. Board of Directors unable to attend**

Mr. Abdulla Ahmed (Non-Executive Director)  
Mr. Raed Fakhri (Non-Executive Director)

**6. Auditors Mr M.N.M Shameel, Engagement Partner, KPMG.****7. Lawyers Mr. Shahdy Anwar, Partner, Suood & Anwar LLP****8. Regulators Ms. Fathimath Nadiya (Chief Executive Officer, Capital Market Development Authority)**

Mr. Mohamed Nizar (President, Privatization and Corporatization Board)  
Mr. Mujthaba Moosa (Officer, Maldives Stock Exchange)  
Mr. Ilyas Ahmed (Chief Executive, Communications Authority of Maldives)

**9. Batelco Mr. Faisal Qamhiyyah (Chief Financial Officer)****10. Dhiraagu Management**

(i) Mr. Robin Wall (Chief Financial Officer)

- (ii) Ms. Isabelle Hajri (Chief Marketing Officer)
- (iii) Mr. Ishag Usman (Financial Planning and Analysis Manager)
- (iv) Ms. Asiath Rilweena (Company Secretary and Manager Investor Relations)
- (v) Uz. Hazrath Rasheed Hussain (General Counsel)

11. The Chairperson announced that

- (i) Mr. Mohamed Nizar, President of the Privatization and Corporatization Board (PCB) was representing and voting on behalf of the Government of Maldives.
- (ii) Mr. Faisal Qamhiyah, Chief Financial Officer of Batelco Group was representing and voting on behalf of Bahrain Telecommunications Company (Batelco).

### **C. AGENDA**

12. The Agenda of the 28<sup>th</sup> Annual General Meeting was published on 6 April 2017 and read as follows.

- i. Recitation of the Holy Qur'an;
- ii. Passing the Agenda of 28<sup>th</sup> Annual General Meeting;
- iii. Passing Minutes of the 27<sup>th</sup> Annual General Meeting;
- iv. Passing of Resolution to Approve the Directors' Report and Audited Financial Statements for the year ending 31 December 2016;
- v. Passing of Resolution to Approve final and full year dividend for the year 2016;
- vi. Passing of Resolution to re-appoint KPMG (Chartered Accountants) as the External Auditor of the Company for the year ending 31 December 2017;
- vii. Passing of standing resolutions to declare interim dividend for the year 2017
- viii. any other business.

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

### **D. MINUTES OF MEETING OF PREVIOUS YEARS' GENERAL MEETING**

14. The Minutes of the 27<sup>th</sup> AGM held at Hotel Jen on 26 April 2016 was published on the Company's website on 3 March 2017, requesting shareholders to submit comments and amendments to the minutes by 26 March 2017. No comments were received by the deadline.

15. As there were no requests for amendments from shareholders present at the meeting, the Minutes of the 27<sup>th</sup> AGM held on 26 April 2016 were deemed to be correct and approved.

**E. NOTICE**

16. In compliance with the legal and regulatory requirements, the Notice of Meeting, together with explanatory notes, were published on Dhiraagu website on 6 April 2017 announcing 20 April 2017 as the date for the Annual General Meeting. The announcement was also made on Mihaaru newspaper and broadcasted on PSM and Radio Maldives.
17. With the consent of the Shareholders, the Notice of the Meeting was taken as read.

**F. REVIEW OF THE YEAR**

18. Highlighting the company's performance in the past year, the Chairperson noted that Dhiraagu posted strong financial results for 2016, driven by roaming, data and enterprise growth. He acknowledged that mobile customer numbers witnessed a 2.7% growth while fixed broadband customer base grew by 12% and adjacent services recorded a 17% growth over the previous year.
19. A video illustrating the overview of the Company and its performance during the year 2016 was presented.

**G. VOTING PROCEDURE**

20. The Chairperson outlined the following voting rules and procedures set out in Articles 58 and 59 of the Company's Articles of Association:
  - (i) Resolutions put to vote at the AGM will be decided on a show of hands unless a poll is demanded by shareholder(s) present at the AGM who have at least ten per cent (10%) of the total of all shareholding
  - (ii) On a poll, every Shareholder present in person or proxy will have one vote for every share he/she holds
  - (iii) On a show of hands each shareholder presents in person/representing legal entities are entitled to one vote each. Proxies duly appointed by a shareholder entitled to vote, are entitled to one vote for each shareholder they are representing.

**H. SUMMARY OF THE RESOLUTIONS**

21. The Chairperson summarized the resolutions proposed for adoption at the Meeting, which were set out in the Notice of the 28<sup>th</sup> AGM.

22. All the resolutions are proposed as ordinary resolutions and required a simple majority to be passed; which is 51% of votes of those shareholders present at the Meeting. With 33 shareholders present, each resolution required 17 votes to be approved.
23. Before proceeding with the voting, the Chairperson invited one shareholder/proxy to assist in counting the votes. Mr. Ahmed Shinau Abdul Gadir (A050384) volunteered to assist in the vote counting.

**I. RESOLUTION TO APPROVE THE DIRECTORS' REPORT AND ANNUAL AUDITED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2016**

24. Resolution No. 1 was to approve the Annual Report for 2016 which includes the Directors' Report and Audited Financial Statement for the year ending 31<sup>st</sup> December 2016.
25. Voting was conducted by a show of hands and the shareholders RESOLVED to adopt the Annual Report which includes the Directors' Report and the Audited Financial Statements for the year ended 31<sup>st</sup> December 2016.
26. Resolution No.1 was approved with the necessary majority of 25 votes representing 76% of shareholders present at the meeting.

**J. RESOLUTION TO APPROVE THE FULL YEAR AND FINAL DIVIDEND FOR 2016**

27. Resolution No. 2 was to declare a full year dividend of MVR 14.37 per share amounting to a total dividend of MVR 1,092,120,000 for the year 2016 which comprised of;
- (i) MVR 5.92 per share (total MVR 449.92m) paid out as interim dividend in 2016, and
  - (ii) MVR 8.45 per share (total MVR 642.20m) to be approved as final dividend and payable to shareholders listed in the Company's register on 13<sup>th</sup> April 2017.
28. Voting was conducted by a show of hands and the shareholders **RESOLVED** to declare a full year dividend of MVR 14.37 per share amounting to a total dividend of MVR 1,092,120,000 for the year 2016.
29. Resolution No. 2 was approved with the necessary majority of 25 votes representing 76% of shareholders present at the meeting.

**K. RESOLUTION TO RE-APPOINT AUDITORS**

30. Resolution No. 3 was to appoint and set the remuneration of the Company's External 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 2017.

31. In accordance with the recommendation from the Audit Committee, the Board of Directors recommended to re-appoint KPMG (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 45,000.00 (excluding out of pocket expenses and 6% GST) during the appointed term to carry out the year-end statutory audit of the Company for the financial year 2017.
32. Before putting the resolutions, the Chairperson invited shareholders to raise any questions relating to the resolution.
33. Mr. Abdulla Salih (A056259) questioned that 5 years may be too long to have the same auditor and suggested rotating the External Auditor every 3 years.
34. With the permission of the Chairperson, the General Counsel Uz. Hazrath Rasheed Hussain noted that the Company's Articles of Association allows Audit Partner to be appointed for a term of 5 years, after which the partner will be rotated. She further added that as per the Corporate Governance Code of the Maldives, Auditors are not required to be rotated every 5 years.
35. With no further questions from the shareholders, voting was conducted by show of hands and it was **RESOLVED** to appoint and re-elect KPM 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 45,000.00 (excluding out of pocket expenses and 6% GST) during the appointed term to carry out the year-end statutory audit of the Company for the financial year 2017.
36. The Resolution was passed with the necessary majority of 20 votes representing 61% of shareholders represented at the meeting.

**L. STANDING RESOLUTION TO DECLARE INTERIM DIVIDEND**

37. Resolution No. 4 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 2017.
38. Voting was conducted by a show of hands and the shareholders **RESOLVED** 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 2017.
39. The Resolution was passed with the necessary majority of 26 votes representing 79% of shareholders represented at the meeting.

**M. ANY OTHER BUSINESS**

40. The Chairperson opened the floor for the shareholders 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**

41. The Chairperson opened the floor for general question and answer session.
42. Mr. Abdulla Salih (A056259) congratulated Dhiraagu for the successful year and requested to know the company's position on paying Zakat. He also suggested to conduct the next AGM in Dhivehi to increase participation from local shareholders.
43. Mr Chairperson thanked Mr. Abdulla Salih for his questions. He added that as the video presented shows that the Company has several ongoing Corporate Social Responsibility and sponsorship programmes through which the Company gives back to the community. Mr. Chairperson confirmed that currently Dhiraagu does not pay Zakat at present.
44. Mr. Abdulla Salih (A056259) commented on the level of customer service and internet speed in islands. He then suggested Dhiraagu to be more careful in the application of ILO rules and regulations when employing expatriate workers and recommended to use the investor relations email address as the Company's official email in the official website of Maldives Stock Exchange.
45. The Chairperson thanked Mr. Abdulla Salih (A056259) for his observations and suggestions. He highlighted that improving the quality of service is a continuous and ongoing effort. He highlighted that since 2014 the Company has been investing heavily on enhancing coverage issues, especially in high population areas. He further assured that Dhiraagu is continuing to bring the latest technology and improve service across the country.
46. With regards to the concerns regarding ILO rules and regulations, the Chairperson highlighted that while Dhiraagu has a foreign majority shareholder, 98% of its 600 employees are Maldivians, and Dhiraagu is very much a Maldivian company. He thanked Batelco for their support and commitment to the development of the Company and the community.
47. Chief Executive Officer and Managing Director (CEO & MD) Mr. Ismail Rasheed thanked Mr Salih for his feedback and apologized for any bad experience he may have had on Dhiraagu network. Mr. Ismail Rasheed invited Mr. Salih to meet him after the AGM to discuss this further.



48. Reverting back to the matter regarding ILO compliance, Mr Ismail Rasheed noted that while Dhiraagu does not have a lot of foreign employees, it treats all of its staff equally and apply the highest standards in terms of their welfare, security and safety issues. The CEO & MD assured that Dhiraagu complies with all the laws and regulations with regards to Labour relations in the Maldives. He once again thanked Mr. Salih for his feedback.
49. Ms. Aishath Samah (A056417) requested to know how Dhiraagu counters the ongoing DDoS attacks which was an issue of concern and caused service interruptions.
50. The Chairperson responded that mitigation measures are in place to identify potential threats, address DDoS attacks and to minimize impact to services. The Chairperson added that a company was hired to deal and monitor the issue of DDoS on a systematic basis.
51. Ms. Aishath Samah (A056417) inquired on the steps taken by Dhiraagu to address the issue of wide spread use of scam calls, where customers are convinced to send reload to prepaid numbers in return for lucky draw prizes and so forth.
52. The Chairperson responded that Dhiraagu is working with other relevant agencies and companies to raise awareness on this issue and added that there are certain protocols which needs to be followed when dealing with these calls.
53. Dhiraagu General Counsel Uz. Hazrath Rasheed Hussain further elaborated that legal and other actions are also taken on these numbers.
54. Mr. Abdulla Basheer Mohamed (A078671) suggested to use bulk SMS service to invite shareholders to the AGM in addition to the public announcements. He also suggested to include a presentation on the Company's Business Plan for the current year instead of just focusing on the past achievements.
55. The Chairperson thanked Mr. Abdulla Basheer Mohamed (A078671) for his suggestions adding that bulk sms invitations will be positively considered. The Chairperson noted that it is unrealistic to discuss and disclose the future plans as the Company operates in a highly competitive market. He assured that customers will be experiencing a significant change and improved service levels in 2017.
56. Mr. Abdulla Basheer Mohamed (A078671) voiced his concerns over companies making decisions based on political pressure and appealed Dhiraagu to be free from such decisions and to think about the best interest of all shareholders before making any such decisions.
57. The Chairperson thanked Mr. Basheer for his concern and assured that decisions made by Dhiraagu are done in the best interest of the company and are not politically motivated.
58. Mr. Abdulla Salih (A056259) posed the following observations and queries.

- (i) Batelco is the sovereign arm of Bahrain and owns a significant share in Ooredoo. As the majority shareholder of Dhiraagu this implies that Batelco now commands the telecom industry in the Maldives.
  - (ii) Requested Directors to comment on the fees and remuneration of the Board.
  - (iii) Dhiraagu claims to be the first company to use renewable energy and uses this as a tag line which is inappropriate and unethical.
59. Mr. Ihab Hinnawi, Board Director, thanked Mr. Abdulla Salih for his questions. Mr. Ihab Hinnawi clarified that Batelco is a listed company in Bahrain operating in 14 markets in the gulf area and internationally. He highlighted that while majority of Batelco's shares are owned by the Government of Bahrain through entities such as Mumtalak Holdings Company and Social Insurance organization, it is not a sovereign arm of Bahrain, and have several other institutional and private investors as its shareholders. He confirmed that Batelco does not own any shares of Ooredoo and noted that both Ooredoo and Batelco are operating in many other countries including Maldives. He concluded his statement expressing that Batelco is proud to be partnering with the Government of Maldives through Dhiraagu.
60. The Chairperson closed the question and answer session and invited shareholders with any with further queries to meet the Board and the management team during the refreshments. The Chairperson thanked Mr. Ahmed Shinau Abdul Gadir (A050384) for assisting in the vote counting.

## **O. CONCLUSION**

61. The Chairperson concluded the business of the Meeting and thanked all the shareholders for attending and contributing to the Meeting.
62. With the consent of the Shareholders, the Chairperson declared the Annual General Meeting of Dhivehi Raajjeyge Gulhun Plc for the Financial Year 2016 closed at 10:05pm and was followed by refreshments for the all the attendees.

Chairperson:

Date:

**ANNEX 1 – Summary of Attendance at the Annual General Meeting 2016.**

	<b>No Present</b>	<b>Total number of shareholders represented</b>	<b>Total number of shares represented</b>	<b>% of Paid up Share Capital</b>
Shareholders	<b>33</b>	<b>33</b>	<b>71,346,948</b>	<b>93.88</b>
Proxies	-	-	-	-
	<b>33</b>	<b>33</b>	<b>71,346,948</b>	<b>93.91%</b>