



QUARTER 1 REPORT 2016

January to March

(revised on 3rd May 2016)



DEVELOPMENTS

01 DURING THE QUARTER

1.1 SUMMARY

Dhiraagu made a strong start to 2016 posting a 10% increase in revenue during the first quarter. This is mainly driven by growth from mobile due to increased customer numbers, launch of the Samsung Galaxy S7 and higher seasonal roaming revenue compared with the fourth quarter of 2015. Net profit and earnings

per share have increased by 57% due to the increase in revenue in Q1 2016 and also due to higher costs in Q4 2015 related to the international submarine cable relocation. Net cash flow increased in Q1 2016 due to the strong operating performance and lower investment during the quarter.

1.2 OPERATIONAL HIGHLIGHTS

Key operational highlights during Q1:

- Dhiraagu is the title sponsor of Maldivian Idol, the top entertainment and most followed programme currently in the Maldives.
- Extended Live Chat Customer Support to 24/7.
- Launched 4G LTE service in Ha. Dhidhoo.
- Launched the Samsung Galaxy S7 and S7 Edge smart phones with attractive plans.
- Completed the submarine cable move from Hulhulemale' bridge area to a new location.
- Moved all customer lines and related services from old exchange office at Medhuziyaarai Magu and vacated the premises by end of March 2016.

- Launched Mobile Number Portability (MNP) in March 2016 as required by the Regulator, followed by a special campaign 'Marhaba 9'.
- Launched up to 5GB 'Browse for Free' promotion for new customers.
- Launched 'Pick Me Up' service – a free USSD service targeted for youth.
- Signed Exclusive Telecom Partner sponsorship for 'Sailing Around Maldives', an adventurous effort by Abdul Ghafoor Ali organized by Atoll Sailor to promote tourism in the Maldives.
- Signed Exclusive Telecom Partner sponsorship with Club Maldives Futsal Cup.

1.3 CORPORATE SOCIAL RESPONSIBILITY

Key CSR initiatives during Q1:

- Dhiraagu contributed indoor playground equipment and established a Children's Play Area at Indira Gandhi Memorial Hospital to support children and families visiting the hospital.
- To support children with disabilities, Dhiraagu contributed developmental resources to the Special Education Needs Class "Kulunu Hiya" at Baa Atoll Education Centre.
- On World Down Syndrome Day on 21st March 2016, volunteers from Dhiraagu participated in the "Buddy Walk" to support Beautiful Eyes Down Syndrome Association to help raise awareness on Down Syndrome.
- Dhiraagu supported disaster relief efforts in G.Dh Thinadhoo, following the fire incident in the island's powerhouse. Dhiraagu lent a generator to the Disaster Relief Centre at G.Dh Thinadhoo, distributed water, candles and torches to the people of G.Dh Thinadhoo during the crisis. Dhiraagu also set up phone charging services and activated an Emergency Pack with 500 free minutes and 1GB free data for the people of G.Dh Thinadhoo to help them stay connected during the crisis.

02 BOARD ADMINISTRATION

2.1 BOARD COMPOSITION

During the Quarter, there were no changes made to the Board composition, and Board members as at 31st March 2016 were as follows:

Name	Position
Mr. Mohamed Ashmalee	Chairperson
Mr. AbdulRazzaq AlQassim	Deputy Chairperson
Mr. AbdulRahman Fakhro	Non-Executive & Independent Director
Dr. Ahmed Al Balooshi	Non-Executive & Independent Director
Mr. Abdulla Ahmed	Non-Executive & Independent Director
Mr. Imran Ali	Non-Executive & Independent Director
Mr. Ismail Rasheed	Executive Director

2.2 BOARD ACTIVITY

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

Board	Audit Committee	RNG Committee
1	1	1

2.3 BOARD ACTIVITY

During the Quarter the following Board decisions were made:

- Approval of the Audited Financial Statements for the year ended 31st December 2015.
- Recommended to propose MVR 4.69 per share as final dividend for 2015 for shareholder approval at the next Annual General Meeting.
- Resolved to propose re-election of Mr. Imran Ali as the Public Director at the next Annual General Meeting.

03 | SHARE INFORMATION

3.1 SHAREHOLDING

The company's shareholding as at 31st March 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

	Q1 2016	Q4 2015
Highest Traded Price (MVR)	85	82
Lowest Traded Price (MVR)	80	82
Last Traded Price (MVR)	83	82
Number of Shares Traded	1,826	50
Number of Trades	15	1
Weighted Average Traded Price (MVR)	83.97	82
Market Capitalization as at quarter end	6.31 bn	6.23 bn
EPS (Annualized MVR)	13.44	8.56
P/E Ratio (Annualized)	6.18	9.58
Net Asset Per Share (MVR)	35.98	32.62
Dividend Yield	NA	NA

FINANCIAL

04 STATEMENTS

4.1 BALANCE SHEET (UNAUDITED)

AS AT	31-Mar-16 Q1 2016 MVR "000"	31-Dec-15 Q4 2015 MVR "000"
ASSETS AND LIABILITIES		
Non-Current Assets		
Intangible Assets	132,382	137,765
Property, Plant and Equipment	1,828,335	1,879,108
Deferred Tax Asset	14,121	11,396
Total Non-Current Assets	1,974,838	2,028,269
Current Assets		
Inventories	44,470	29,518
Trade and Other Receivables	402,537	343,723
Amounts Due from Related Party	133	133
Investments	432,068	351,430
Cash and Cash Equivalents	798,326	619,359
Total Current Assets	1,677,534	1,344,163
Total Assets	3,652,372	3,372,432
Current Liabilities		
Trade and Other Payables	(720,668)	(686,163)
Current Tax Liabilities	(59,591)	(72,141)
Total Current Liabilities	(780,259)	(758,304)
Non-Current Liabilities		
Provisions	(137,747)	(135,305)
Total Non-current Liabilities	(137,747)	(135,305)
Total Liabilities	(918,006)	(893,609)
Net Assets	2,734,366	2,478,823
Equity		
Share Capital	190,000	190,000
Retained Earnings	2,544,366	2,288,823
Total Equity	2,734,366	2,478,823

4.2 INCOME STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED	31-Mar-16 Q1 2016 MVR "000"	31-Dec-15 Q4 2015 MVR "000"
Revenue	664,819	601,147
Operating Costs	(255,963)	(310,891)
Depreciation and Amortization	(94,801)	(90,160)
Other Income	866	2,009
Results from Operating Activities	314,921	202,105
Net Financing Expense	(15,796)	(13,094)
Profit Before Taxation	299,125	189,011
Income Tax Expense	(43,582)	(26,149)
Net Profit	255,543	162,862
Basic Earnings Per Share (Weighted Average Ordinary Shares Outstanding)		
Basic Earnings Per Share (Annualized MVR)	13.44	8.56
Basic Earnings Per Share (Quarter MVR)	3.36	2.14

4.3 CASH FLOW STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED	31-Mar-16 Q1 2016 MVR "000"	31-Dec-15 Q4 2015 MVR "000"
Net Cash Inflow from Operating Activities	333,662	284,908
Net Outflow from Investing Activities	(133,604)	(387,095)
Net Outflow from Financing Activities	(21,091)	(9,107)
Net Increase/(Decrease) in Cash and Cash Equivalents	178,967	(111,294)
Cash and Cash Equivalents at beginning of the Period	619,359	730,653
Cash and Cash Equivalents at end of the Period	798,326	619,359



Robin Wall
Chief Financial Officer



Ismail Rasheed
CEO & Managing Director

LEGAL & REGULATORY

05 COMPLIANCE

5.1 COMPLIANCE TO CMDA CORPORATE GOVERNANCE CODE

The company has been in compliance 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.