



dhiraagu

SECOND QUARTER REPORT

APRIL - JUNE 2022

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dhiraagu

**DHIRAAGU IS THE LEADING DIGITAL AND
TELECOMMUNICATIONS SERVICE PROVIDER
IN THE MALDIVES.**

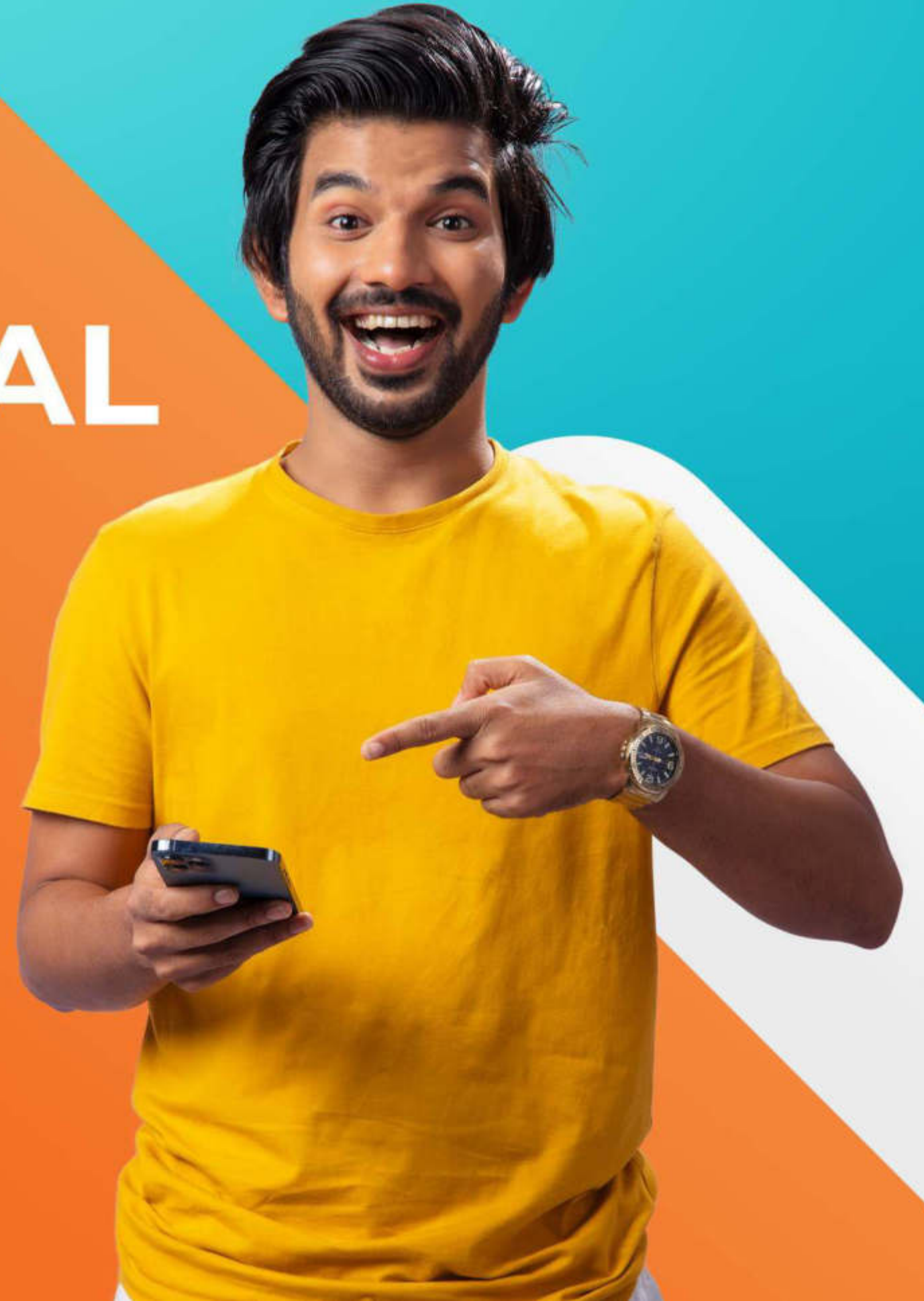
Our business is to provide future-proof digital and telecommunications connectivity that enables our customers to get ahead in the digital future. We are the pioneers that ushered the Maldives into the digital age, and we continue to lead the field by placing premium value on customer experience and 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.

Dhivehi Raajjeyge Gulhun PLC
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KEY FINANCIAL HIGHLIGHTS



1.1 KEY FINANCIAL HIGHLIGHTS

Compared to the Q1, we reported a 3% reduction in revenue mainly due to the decline in roaming revenue. However, the impact of the decrease in revenue was minimised by the reduction of operating costs by 4% in Q2. Net profit and earnings per share decreased by 10% versus the prior quarter, primarily due to the increase in other income during Q1 which is attributable to a refund of withholding tax from the Maldives Inland Revenue Authority (MIRA). Net cash flow increased mainly due to improved collections in Q2.

FOR THE QUARTER ENDED	JUNE (Q2 2022) MVR “000”	MAR (Q1 2022) MVR “000”
Total Revenue	618,807	641,200
Total Expenses (Net Of Other Income)	(361,815)	(358,327)
Income Tax Expense	(38,549)	(39,293)
Net Profit After Tax	218,443	243,580

SHARE PERFORMANCE

	JUNE (Q2 2022) MVR	MAR (Q1 2022) MVR
EPS (Annualised)	11.48	12.84
Basic Earnings Per Share (Quarter MVR)	2.87	3.21
P/E Ratio (Annualised)	10.95	8.48
Net Asset Per Share (MVR)	38.08	35.21
Dividend Yield	4.93%	5.70%
Cashflow Per Share	26.06	23.97

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FINANCIAL STATEMENTS



2.1 INCOME STATEMENT (UNAUDITED)

	Q2	vs	Q1
FOR THE QUARTER ENDED	JUNE (Q2, 2022) MVR "000"		MAR (Q1 2022) MVR "000"
Mobile Revenue	312,878		339,711
Fixed, Broadband & Enterprise	289,448		283,842
Others	16,480		17,647
Revenue	618,806		641,200
Operating Costs	(281,939)		(294,954)
Depreciation and Amortisation	(99,667)		(100,125)
Other Income	29,239		52,112
Results from Operating Activities	266,439		298,233
Net Financing Expense	(9,447)		(15,360)
Profit Before Tax	256,992		282,873
Tax Expense	(38,549)		(39,293)
Profit for the period	218,443		243,580
Share Performance Ratios			
Basic Earnings Per Share (Annualised MVR)	11.48		12.84
Basic Earnings Per Share (Quarter MVR)	2.87		3.21

2.2 BALANCE SHEET (UNAUDITED)

	Q2	vs	Q1
AS AT	JUNE (Q2, 2022) MVR "000"		MAR (Q1 2022) MVR "000"
ASSETS AND LIABILITIES			
Non-Current Assets			
Intangible Assets	305,677		312,972
Property, Plant and Equipment	1,670,099		1,709,842
Right of use asset	286,430		290,933
Deferred Tax Asset	8,865		6,681
Total Non-Current Assets	2,271,071		2,320,428
Current Assets			
Inventories	39,396		30,093
Trade and Other Receivables	715,022		687,327
Cash and Bank Balances	1,988,149		1,829,338
Total Current Assets	2,742,567		2,546,758
Total Assets	5,013,638		4,867,186
Current Liabilities			
Trade and Other Payables	(712,969)		(847,986)
Amounts Due to Related Party	(614,731)		(603,592)
Right of use liability - current	(33,309)		(34,070)
Short Term Loans and Borrowings	(215,918)		(177,485)
Current Tax Liabilities	(82,915)		(55,915)
Total Current Liabilities	(1,659,842)		(1,719,048)

	Q2	vs	Q1
	JUNE (Q2, 2022) MVR "000"		MAR (Q1 2022) MVR "000"
Non-Current Liabilities			
Provisions	(142,127)		(140,959)
Long Term Loans and Borrowings	(44,686)		(56,868)
Right of use liability - non-current	(272,726)		(274,498)
Total Non-current Liabilities	(459,539)		(472,325)
Total Liabilities	(2,119,381)		(2,191,373)
Net Assets	2,894,257		2,675,813
Equity			
Share Capital	190,000		190,000
Retained Earnings	2,704,257		2,485,814
Net Assets	2,894,257		2,675,813

2.3 STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Share Capital MVR “000”	RetainedEarnings MVR “000”	Total MVR “000”
Balance at 30 Jun 2021	190,000	2,315,935	2,505,935
Profit for the period	-	191,292	191,292
Dividends		(157,320)	(157,320)
Balance at 30 Sep 2021	190,000	2,349,907	2,539,907
Profit for the period	-	206,207	206,207
Dividends		-	-
Balance at 31 Dec 2021	190,000	2,556,114	2,746,115
Profit for the period	-	243,58	243,580
Dividends		(313,880)	(313,880)
Balance at 31 Mar 2022	190,000	2,485,814	2,675,814
Profit for the period	-	218,443	218,443
Dividends		-	
Balance at 30 June 2022	190,000	2,704,257	2,894,257

2.4 CASH FLOW STATEMENT (UNAUDITED)

	Q2	vs	Q1
FOR THE QUARTER ENDED	JUNE (Q2, 2022)		MAR (Q1 2022)
	MVR "000"		MVR "000"
Net Cash Inflow from Operating Activities	347,355		326,320
Net Outflow from Investing Activities	(106,185)		(96,340)
Net Outflow from Financing Activities	(82,360)		(157,367)
Net Increase in Cash and Cash Equivalents	158,810		72,613
Cash and Cash Equivalents at beginning of the Period	1,822,046		1,749,433
Cash and Cash Equivalents at end of the Period	1,980,856		1,822,046



Ismail Rasheed
CEO & Managing Director



Ahmed Abdhulrahman
Chairperson, Audit Committee



Robin Wall
Chief Financial Officer

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GOVERNANCE



3.1 BOARD COMPOSITION

No changes were brought to the composition of the Board during the second quarter of 2022. The Board composition as at 30 June 2022 was as follows.

Name	Position	Category	Date Appointed	Respective Committee
Mr. Ismail Waheed	Chairperson, Director	Non-Executive & Independent	29 November 2018	Chairperson, RNG Committee
Mr. Ahmed AbdulRahman	Deputy Chairperson, Director	Non-Executive & Independent	4 May 2020	Chairperson, Audit Committee
Mr. Mikkel Vinter	Director	Non-Executive & Independent	4 May 2020	Member RNG Committee
Mr. Faisal Qamhiyah	Director	Non-Executive & Independent	4 May 2020	
Uza. Maryam Manal Shihab	Director	Non-Executive & Independent	13 July 2020	
Mr. Faisal AlJalahma	Director	Non-Executive & Independent	1 March 2022	
Mr. Ahmed Mohamed Didi	Director	Non-Executive & Independent	24 March 2022	Member RNG Committee Member Audit Committee
Mr. Ismail Rasheed	Chief Executive Officer & MD	Executive & Non- Independent	16 September 2015	

RNG Committee = Remuneration, Nomination and Governance Committee

3.2 BOARD ACTIVITY

Board and Committee meetings held during the quarter were as follows;

- 3 Board of Directors
- 1 Audit Committee
- 1 Remuneration Nomination and Governance

3.3 BOARD DECISIONS

Important Board decisions made during the quarter included:

- Appointing a new member to RNG Committee.
- Appointing a new member to Audit Committee.
- Approval of the write-off of MVR 19m bad debt as per the Credit Control Policy.
- Approval of the Bonus KPIs for 2023.
- Approval of amendments to the Procurement Policy.
- Resolving to create the role of a Chief Technology & Information Officer and approving the appointment of Mohamed Musad, to the position of the CTIO.

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 SHARE INFORMATION



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4.1 SHAREHOLDING

The Company's shareholding as at 30 June 2022 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

4.2 TRADING HIGHLIGHTS

	Q2 2022	Q1 2022
Highest Traded Price (MVR)	135	109
Lowest Traded Price (MVR)	125	106
Last Traded Price (MVR)	135	109
Last Traded Date	22 June 2022	1 March 2022
Number of Shares Traded	629	1051
Number of Trades	17	9
Weighted Average Traded Price (MVR)	125.68	108.86
Market Capitalisation as at quarter end (MVR)	9.55bn	8.27bn



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