

OOREDOO MALDIVES PLC

FIRST QUARTER REPORT
JANUARY - MARCH 2018



ooredoo





Highlights of the Quarter

Summary



Ooredoo Maldives continues in its endeavor towards Digital transformation, aiming to enrich lives and setting new benchmarks as a fully-fledged digital company. Work on key projects like Enterprise Resource Plan (“ERP”) is underway which will automate to a large extent the various processes/touchpoints impacting customers and employees. We are also aggressively pursuing the adoption of digital platforms across channels to enhance customer engagements and overall experience.

The key initiative of Quarter 1, 2018 were focused on the Postpaid revamp. In addition, we continued focusing on Enterprise segments besides undertaking several new initiatives to improve data dominance.

Ooredoo Maldives also showcased its Digital Customer Experience Solutions at the Mobile World Congress in Barcelona, Spain; as part of the Ooredoo Group’s demonstration of a wide range of transformative advanced and emerging technology solutions. Ooredoo Next on Viber and Magey Plan 2.0 are available in Maldives from March 2018.

Financial Highlights



Ooredoo Maldives closed the first quarter of the year 2018 by achieving Gross Revenue (“GR”) of MVR 496 million which is an increase of 5% compared to the previous quarter. Growth in roaming revenue and fiber network expansion has contributed to the strong performance during the quarter. In addition, the Company achieved a Net Profit margin of 31% for the quarter.



Key Products & Services



- **New Postpaid Plans:** Ooredoo Maldives new Postpaid Plans offer unmatched benefits with unlimited calling talk time, unlimited browsing, unlimited texting and discounts on IDD calling. The new plans are in a manner that best suits every customer's individual needs. Customers on these plans will continue to enjoy our 4G+ network across the nation with unique rewarding benefits.
- **SuperNet Expansion:** Ooredoo SuperNet services were expanded to Kulhudhufushi, as part of the Company's ongoing efforts to provide high speed broadband services across the nation. Additional offers were launched for new SuperNet customers. 100% service guarantee program launched for customers opting for SuperNet services in Male' & Hulhumale.
- **Devices:** S9 & S9+ pre order and the unveiling by Ooredoo Maldives and Samsung. We also launched a Handset Bundle Offer for customers, giving them the opportunity to easily acquire a large variety of smartphones through a monthly installment plan.
- **Products/Offers:** Launch of 2 new price points, Ooredoo Magic 102 and 202, positioning unlimited voice and bonus data on specific price points.
- **Magic IDD:** A revolutionary concept in which four tariff Combos have been created for the top 4 IDD calling destinations.

- **Digital Customer Care Services:** Significant efforts were made to enable end to end engagement with our customers through digital. Facilitating digital experiences is particularly important in the Maldives, where physical access to customers is limited due to the unique geographical dispersion of local communities. Ooredoo Maldives revealed the next phases for Magey Plan & Ooredoo Next, which are revolutionizing the digital experience of our customers. Additionally, customer related processes were improved through digital, enabling new conveniences for customers such as Online Deposit Payments through My Ooredoo Portal. Similarly, the automation of the refund process has also enabled us to provide refund services faster than before.
- **Ooredoo Next on Viber:** Viber messenger became the newest social media channel for the Ooredoo Next digital engagement platform developed in partnership with FastForward.ai, a Silicon Valley tech company revolutionizing engagement in the 4-billion customer prepaid mobile market. Supported by FastForward NXTTM real-time API platform featuring artificial intelligence and machine learning, Ooredoo NEXT allows mobile users in the Maldives to easily engage with Ooredoo Maldives inside social media channels such as Viber, Facebook Messenger and to check best offers, best data add-ons or just manage their Ooredoo services using real-time automated answers.
- **Ooredoo Magey Plan:** An exciting upgrade was launched for Magey Plan platform at the Mobile World Congress, with exciting features enabled by artificial intelligence based predictive technologies. The update to Magey Plan includes gifting of add-ons via Magey Plan, and AI powered recommendations of bestselling plans, as well as the most beneficial plan for a specific budget.



Corporate Social Responsibility

Corporate Social Responsibility



In October 2015, Ooredoo Maldives pledged its commitment to the United Nations Sustainable Development Goals (“Global Goals”), which aims to eradicate extreme poverty, improve the lives of people and create an all-round healthier world for tomorrow. These are ambitious targets which cannot be achieved without fully leveraging the reach and capabilities of mobile technology. Ooredoo Maldives continues its work to stimulate human growth and contribute to the sustainable development of local communities across the nation. Our initiatives in Q1, 2018 include:

Smart City Projects

Digital Literacy Program:

Ooredoo in partnership with UNDP Maldives and the Housing Development Corporation (“HDC”) launched the ‘Smart Cities’ Project which aims to offer innovative, smart solutions for urban challenges through ensuring that the technological solutions introduced in Hulhumale’ - the future smart city, remains inclusive and accessible to all of its population.

Our initiatives are aimed to positively impact all residents of Hulhumale’ particularly vulnerable groups such as women and youth, people with disabilities and the elderly. Our initial focus will be on the aspects of smart people, smart living and smart mobility.

In Quarter 1 of 2018, a number of initiatives were carried out under this program:

Smart Inclusivity Campaign:

The Smart Inclusivity Campaign was continued throughout the quarter, to promote inclusivity within Smart Cities. The campaign focuses on persons with disabilities as both beneficiaries and agents of change, who can fast track the process towards inclusive and sustainable development. Public announcement videos were created with support of Maldives Association of Physical Disabilities (MPAD), Blind Association of Maldives and Maldives Deaf Association to create awareness.

Coding Camp:

Arming young people with the knowledge of coding could lead them to use technology to develop unique solutions for their everyday challenges they face within their communities. As such, a Coding Camp was successfully held during the mid-semester break, for students between 10 to 15 years in age.

Sci-Tech Festival:

Ooredoo Maldives’ Sci-Tech Festival returned this March, this time in collaboration with UNDP Maldives & HDC. In this digital world, science and technology have become a crucial component in ensuring a better future. It is important to inspire the next generation of innovators through initiatives which make young girls and boys excited about science and technology. SciTech Kids Festival focuses on just that, with fascinating experiments, interesting exhibits and exciting games for children.

Digital Literacy Program

Two sessions of the Digital Literacy Program was carried out in Q1, 2018 as part of Ooredoo Maldives' digital inclusivity strategy and its work to support a Digital Maldives. The program focused on teaching digital skills to senior citizens, from how to use a smartphone and the latest apps, to ensuring their safety while using mobile phones and internet. This program will be continued across the Maldives throughout the year.

Celebration of International Day of Happiness

Since 2013, the United Nations has celebrated the International Day of Happiness as a way to recognize the importance of happiness in the lives of people around the world. This year, Ooredoo Maldives joined the celebration with "Smile" cookies which were distributed to people in various parts of the Maldives, to create awareness of the day and show that even a little act of kindness can bring joy to people.

Earth Hour Celebration

Ooredoo Maldives celebrated Earth Hour by switching off lights during the launch of Samsung Galaxy S9 in the Maldives, in solidarity with global efforts to secure nature and our home. The event also included a candlelit music show, during Earth Hour.

International Women's Day Celebration

Ooredoo Maldives and UNDP Maldives together hosted a special talk for students on the occasion of International Women's Day 2018, featuring the Director of the United Nations Information Centre in Tokyo, Ms Kaoru Nemoto. The event aimed to create conversation regarding challenges for young girls as they enter the work force and to inspire them to overcome these issues and achieve their dreams, whatever that may be.

Different, Not Less Event, for Autism Awareness

Ooredoo Maldives was proud to support "Different, Not Less". This was an educational and awareness program about children with special needs for the people of Meemu Dhiggaru.

Run With Us Obstacle Race

"Run With Us" was held by Women in Management to celebrate International Women's Day under the theme, Press for Progress. Ooredoo Maldives was the proud Telecom Partner for this initiative.

Enigma Exhibition, for Cancer Awareness & Fundraising

Ooredoo Maldives was the Innovation Partner for Enigma Exhibition, which acted as a platform for Cancer Society of Maldives ("CSM") to spread awareness on cancer and to raise funds through proceeds from paintings sold at the exhibition.

Sponsorships



Maldives Travel Awards

Ooredoo Maldives became the Platinum Partner of Maldives Travel Awards 2018, the most prestigious, comprehensive and sought after recognition in the travel and tourism sector. We are proud to support their work to encourage and stimulate professionalism in the travel industry, as well as the national and international tourism industry.

HR Summit & EXPO

The HR Summit & Expo, presented by Ooredoo Maldives was designed to bring together business executives, HR directors and other HR professionals from a broad spectrum of industries for a one-day conference and exhibition. At the summit, delegates were able to discuss challenges and best practices not only within the field of HR, but also with regards to overall company strategy, culture, and direction and how it will play a pivotal role in future business.

Brand Building Events



Varah Thafaathu Campaign

Ooredoo Maldives launched an exciting new brand campaign focused on celebrating the uniqueness of people across the Maldives and promoting our products and services that cater to their every need. Our vision is to enrich customer's lives and this campaign highlights our efforts to support the diverse needs of communities around us. The Varah Thafaathu campaign included special events, promotions and customer engagement initiatives which were well received by the public.

New Radiant as a brand ambassador

New Radiant Sports Club, the most popular football club in the Maldives became an official brand ambassador of Ooredoo Maldives. As part of this partnership, Ooredoo Maldives & New Radiant S.C will work together to develop football in the Maldives, especially among young people.

Habeys as a brand ambassador

Ooredoo Maldives once again welcomed local music legends – Habeys Boduberu Group as a brand ambassador. Together, we aim to bring new innovations to the local Boduberu industry.

SuperNet Fixed Broadband Campaign

As part of its digital strategy to ensure high speed broadband services to all islands of the Maldives, Ooredoo Maldives continued the expansion of SuperNet Fixed Broadband services. The expansion was further supported by awareness roadshows in relevant regions.

Sales Roadshow activities

Sales Camps were held across Male' and regions in order to boost sales of postpaid plans and Home Broadband products.

Awards & Recognitions



- Global HR Excellence Award for Best Strategy in line With Business
- Global Best Employer Brand for Excellence in HR through Innovation
- Global Best Employer Brand for Talent Management
- Shortlisted for Glomo Award (m4Education): Ooredoo Smart Campus
- Shortlisted for Operator of The Year, Asia Mobile Awards 2018
- Shortlisted for Digital Lifestyle Award, Asia Mobile Awards 2018

Staff Engagement



- **Year End Employees Communications Forum (“ECF”)** – during this quarter ECF was held where the Management shared business performance updates and the way forward strategies with all employees. During this event rewards and recognition was given to high performing employees.
- **Brigade challenge on Waste Management** – A brigade event to enhance cross functional collaboration and stimulate innovative and creative ideas, through conscious thought for environment and community.
- **SciTech** – All departments of the company participated at the CSR event held in collaboration with HDC. This event aimed to inspire the next generation of innovators through hands-on activities and experiments that make kids excited about science and technology.
- **Women’s day** – International Women’s Day was celebrated among employees of the Company. Women empowerment and ensuring gender diversity is a key focus area for Ooredoo Maldives.
- **We Are One Team** – Employees who celebrated Birthdays and whose anniversary for long service fall in this quarter gathered for a celebration with the management team. This is a monthly gathering and a platform for employees to have a very close collaboration with the management team and share suggestions, ideas and concerns.

A hand wearing a watch points to a document with various charts and graphs. The scene is set in a brightly lit office with a laptop and papers visible in the background. Two red circles are overlaid on the image: a large one containing the text 'Board Administration' and a smaller one below it.

Board Administration

BOARD COMPOSITION

The Board composition as at 31st March 2018 was as follows:

Name	Position
Mr. Khalid Ibrahim A Al-Mahmoud	Chairman & Managing Director
Dr. A Hamid Mohd A Marafi	Director
Mr. Ian Grant Fenton	Director
Mr. Khalid Hassan M A Al-Hamadi	Director
Uza. Dheena Hussain	Director
Mr. Najib Khan	Chief Executive Officer/ Director
Mr. Ahmed Zuhoor	Director
Mr. Thavabalan Poobalasingam	Chief Financial Officer/ Director

CHANGES TO THE BOARD DURING THE QUARTER

There was no change to the Board during this quarter.

BOARD ACTIVITIES

Board and Committee meetings held during the quarter were as follows:-

	Number
Board of Directors	2
Audit Committee	1
Nomination & Remuneration Committee	2

BOARD DECISIONS

- Approval of Board of Directors Charter
- Approval of Risk Appetite for 2018
- Approval of 2017 Auditors Report
- Approval of 2017 Financial Statements
- Approval of the appointment of 2018 External Auditors and their remuneration to recommend for approval by the Shareholders
- Approval of Board Evaluation Criteria
- Approval to open Bank Accounts at Commercial Bank of Ceylon and Bank of Maldives Plc
- Approval of remuneration for the Secretary of the Nomination and Remuneration Committee
- Approval of 2017 Corporate & CXO Scorecards
- Approval of Annual Bonus 2017 and Increment for 2018
- Approval of 2018 CXO scorecards
- Approval of 2017 dividend declaration
- Approval of reviewed and amended Corporate Governance Manual of the Company
- Approval for appointment of Assistant Company Secretary
- Approval for the AGM to be held on Sunday, 6th May 2018
- Approval of the Agenda of the AGM to be held on Sunday, 6th May 2018
- Approval of Policy on Prevention of Insider Trading of Ooredoo Maldives Plc
- Approval of Remuneration for the Directors

Share Information



SHAREHOLDING

The Company's shareholding as at 31st March 2018 were as follows:-

Shareholding	%	Number of Shares
Wataniya International FZ-LLC	90.5%	133,755,130
Public	9.5%	14,045,271
Total		147,800,401

SHARE TRADING

Highest Traded Price	MVR 45
Lowest Traded Price	MVR 40
Last Traded Price	MVR 45
Number of Shares Traded	100 shares
Number of Trades	2 trades
Weighted Average Traded Price	MVR 40
Market Capitalization	MVR 6.651 Billion
Price-Earning Ratio(P/E Ratio) Annualized	11

Financial Statements



BALANCE SHEET (UNAUDITED)

OOREDOO MALDIVES PLC

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT

	31 MAR 2018 Q1 2018 MVR '000	31 DEC 2017 Q4 2017 MVR '000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	1,022,444	1,049,342
Intangible Assets	133,912	137,207
Prepaid Lease Rent	33,069	33,154
Deferred Tax Assets	19,283	17,004
Total Non-Current Assets	1,208,708	1,236,707
Current Assets		
Inventories	15,660	17,408
Trade and Other Receivables	303,693	248,175
Amount Due from Related Party	34,731	31,985
Fixed Deposits	718,223	548,223
Cash and Cash Equivalents *	1,005,301	1,175,773
Total Current Assets	2,077,608	2,021,564
Total Assets	3,286,316	3,258,271
EQUITY AND LIABILITIES		
Equity		
Share Capital	1,478,004	1,478,004
Reserve on Translation of Share Capital	144,180	144,180
Accumulated Losses	(416,391)	(553,621)
Total Equity Attributable to Equity Holders of the Parent	1,205,793	1,068,563
Non-Controlling Interest	106,496	104,651
Total Equity	1,312,289	1,173,214
LIABILITIES		
Non-Current Liabilities		
Loans and Borrowings	420,904	426,558
Provisions	18,885	16,920
Deferred Tax Liabilities	100	122
Total Non-Current Liabilities	439,889	443,600
Current Liabilities		
Loans and Borrowings	46,781	63,633
Amounts Due to Related Parties	735,637	717,725
Trade and Other Payables	625,797	724,097
Deferred Revenue	74,530	66,934
Income Tax Payable	51,393	69,068
Total Current Liabilities	1,534,138	1,641,457
Total Liabilities	1,974,027	2,085,057
Total Equity and Liabilities	3,286,316	3,258,271

* Cash and Cash Equivalent inclusive of IPO proceeds

INCOME STATEMENT (UNAUDITED)

OOREDOO MALDIVES PLC

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME (UNAUDITED)

FOR THE QUARTER ENDED

	31 MAR 2018 Q1 2018 MVR '000	31 DEC 2017 Q4 2017 MVR '000
Revenue	495,595	472,498
Other Income	1,895	35,539
Operating Expenses	(245,416)	(261,381)
Depreciation and Amortization	(62,048)	(70,153)
Results from Operating Activities	190,026	176,503
Net Finance Expense	(9,220)	(3,097)
Profit Before Tax	180,806	173,406
Income Tax Expense	(24,863)	(32,581)
Profit for the Period	155,943	140,825
Other Comprehensive Income	-	-
Total Comprehensive Income for the Period	155,943	140,825
Total Comprehensive Income Attributable to:		
Owners of the Company	154,098	127,347
Non-Controlling Interest	1,845	13,481
Total Comprehensive Income for the Period	155,943	140,828
Basic and Diluted Earnings Per Share	1.0	0.9

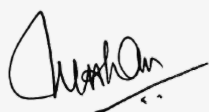
CASH FLOW STATEMENT (UNAUDITED)

OOREDOO MALDIVES PLC

CASH FLOW STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED

	31 MAR 2018 Q1 2018 MVR '000	31 DEC 2017 Q4 2017 MVR '000
Cash Flows from Operating Activities	120,287	129,554
Cash Flows from Investing Activities	(201,678)	(135,322)
Cash Flows from Financing Activities	(85,753)	45,517
Net Increase / (Decrease) in Cash and Cash Equivalents	(167,144)	39,749
Cash and Cash Equivalents at the Beginning of the Period	833,970	794,221
Cash and Cash Equivalents at the End of the Period	<u>666,826</u>	<u>833,970</u>



Najib Khan
Chief Executive Officer



Thavabalan Poobalasingam
Chief Financial Officer

Legal & Regulatory



REPORTING COMPLIANCE

This report has been prepared in compliance with Capital Market Development Authority's ("CMDA") of Maldives Minimum Quarterly Reporting Requirement for Listed Companies.

CORPORATE GOVERNANCE

Ooredoo Maldives is in material compliance with the requirements of the Corporate Governance Code of the Capital Market Development Authority ("CMDA") of the Maldives. In addition, the Company is committed to achieve and promote high standards of accountability and corporate conduct. In this regard, the Company follows international best practices and has established corporate governance practices internally to enhance corporate performance.



Connect with us, [OoredooMaldives](#)
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