



**MTDC**  
MALDIVES  
TOURISM DEVELOPMENT  
CORPORATION

# ANNUAL REPORT

20  
24



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# ABOUT MTDC

## OUR VISION

MTDC envisions becoming the most efficient Public Limited Company in the Maldives by leveraging its core competencies and financial strength to achieve the expectations of shareholders and stakeholders to enhance the macro and micro economic potentials of the tourism industry.

## OUR MISSION

MTDC's mission is to source diverse investments and efficiently deploy its resources to ensure that the investment yields the highest returns, which will maximise the wealth of its shareholders. Today, MTDC is actively engaged in the tourism industry. It is engaged in developing resort islands and aspires to turn the green islands into green resorts that would invite foreigners to relax, enjoy, and create lasting memories.

## CORE PURPOSE

Offer every Maldivian the opportunity to invest in assets that will be rewarding.

## FINANCIAL GOALS

To find rewarding investment opportunities for every Maldivian citizen.

## DISCIPLINARY PRINCIPLES

In order to run the company the way we have, our directors and employees share a certain set of principles which we abide by.

1. Shareholder's rights are to be protected at all times.
2. Working with an open-mind.
3. Finding innovative methods to carry out the given task efficiently.
4. Respecting each other's differences.
5. Vouching for the truth and expressing an opinion without any reluctance.



### Registered Office

1st floor, G. Fathuruvehi Buruzu Magu, Male', Republic of Maldives  
Phone: +960 334 7766  
Email: info@mtdc.com.mv  
Website: www.mtdc.com.mv

### Registry Number

C-280/2006

### Legal Form

Public Limited Liability Company, Incorporated in Maldives at the Ministry of Economic Development under the company's Law no. 10/96.

### Share Holding structure as at 31st December 2024

| Shareholder Group        | Number of Shares | Rate per 10 MVR | %   |
|--------------------------|------------------|-----------------|-----|
| Public                   | 18,428,278       | 184,282,780     | 53  |
| Government               | 15,659,076       | 156,590,760     | 47  |
| Total                    | 34,087,354       | 340,873,540     | 100 |
| Authorized Share Capital | 100,000,000      | 1,000,000,000   |     |
| Paid Up Capital          | 34,087,354       | 340,083,540     |     |

### Joint Venture of MTDC

|                          |   |
|--------------------------|---|
| Company Name             | ENA Hotel Holding Company Pvt. Ltd.                             |
| Company Address          | H. Aage, 2nd Floor, Boduthakurufaanu Magu, Male' City, Maldives |
| Type of Venture          | Joint Venture   |
| % of Shares owned by MTD | 20%   |
| Company Name             | Global Resorts and Development Maldives Pvt Ltd                 |
| Company Address          | H. Thuniya, Boduthakurufaanu Magu, Male', Maldives              |
| Type of Venture          | Joint Venture   |
| % of Shares owned by MTD | 15%   |

### Listing

MTDC was listed on the Maldives Stock Exchange on January 8, 2007.

### Company Secretary

Ms. Mariyam Leena Ali  
19 January 2015 - 11 May 2025

Ms. Fathimath Liusha  
12 May 2025 - Current

### Auditors

Ernst & Young, Chartered Accountant, Ma. Seeraazeege, 7th Floor Seeraazee goalhi, Malé 20160

### Legal Advisors

Uz. Hussain Siraj H.Merry Rose, Male' Republic of Maldives



# FINANCIAL HIGHLIGHTS

## OPERATIONS

|                            | 2020      | 2021       | 2022      | 2023      | 2024      |
|----------------------------|-----------|------------|-----------|-----------|-----------|
| Income in USD              | 3,674,746 | 4,127,199  | 7,342,830 | 6,702,727 | 5,227,828 |
| Operating Profit Margin    | 32%       | 345%       | 47%       | 64%       | 44%       |
| Profit for the year in USD | 964,359   | 11,650,364 | 2,505,711 | 3,081,623 | 1,922,792 |
| Earnings per share in USD  | 0.028     | 0.342      | 0.074     | 0.090     | 0.056     |
| Dividend per share in MVR  | 0.50      | 0.60       | 0.60      | 0.60      | 0.50      |
| Return on equity           | 2.40%     | 22.97%     | 4.83%     | 2.92%     | 3.65%     |

## FINANCIAL POSITION

|                               | 2020       | 2021       | 2022       | 2023       | 2024       |
|-------------------------------|------------|------------|------------|------------|------------|
| Cash & Bank balances in USD   | 706,104    | 4,836,517  | 5,010,491  | 917,754    | 610,270    |
| Total Assets in USD           | 77,878,187 | 99,515,899 | 96,509,012 | 86,962,940 | 90,023,068 |
| Total Assets per share in USD | 2.28       | 2.92       | 2.83       | 2.55       | 2.64       |
| Net Asset per share in USD    | 1.18       | 1.43       | 1.31       | 1.02       | 1.10       |

## MARKET PERFORMANCE

|                              | 2020        | 2021        | 2022        | 2023        | 2024        |
|------------------------------|-------------|-------------|-------------|-------------|-------------|
| Closing price in MVR         | 10          | 10          | 11          | 21          | 12.7        |
| Year high in MVR             | 10          | 10          | 15          | 21          | 21          |
| Year low in MVR              | 10          | 10          | 10          | 10          | 11          |
| Market capitalisation in MVR | 340,873,540 | 340,873,540 | 340,873,540 | 340,873,540 | 340,873,540 |





## MESSAGE BY CHAIRMAN



### Dear Shareholders,

As we reflect on another year of growth for MTDC, I am proud to share this annual report with you. The resilient spirit of our nation and vibrant tourism sector continue to shine amid global challenges.

In 2023, we witnessed a strong resurgence in travel, post-COVID-19. This demand has revitalized the tourism sector, positioning the Maldives at the forefront, attracting visitors with our pristine beaches and cultural experiences.

In 2024, MTDC's financial position improved, as indicated in our financial highlights. While revenue and gross profit were lower than the previous year, we achieved our net profit target, maintaining profitability through stringent cost control. Our total assets and shareholders' reserves grew, while liabilities remained manageable, despite our investment commitments—especially the development of a new office building and the transformation of Hdh. Nagoashi into a resort. However, the Board has still decided to declare dividends this year. This decision supports our long-term strategic vision and positions the company for future growth.

Strategic partnerships are crucial as we look to diversify our business activities for future growth. We will continue to strengthen relationships that drive mutual benefits and sustainable development.

As environmental concerns grow, there is a notable shift towards eco-friendly destinations. Events like the UN Climate Change Conference (COP28) have promoted sustainability discussions, with the Maldives, as a vulnerable nation, advocating for its challenges. We are committed to ongoing efforts in coral reef preservation, reducing plastic usage, and promoting sustainable practices.

In closing, I extend my heartfelt gratitude to all our stakeholders, including our dedicated staff, partners, and the communities that make the Maldives what it is today. While the journey ahead is filled with promises and challenges, I am confident that MTDC, with your continued support, will emerge stronger and ready to embrace evolving opportunities.

A handwritten signature in blue ink, appearing to read 'Abdulla Faiz', with a stylized flourish extending to the right.

Abdulla Faiz  
Chairman



## MESSAGE BY MANAGING DIRECTOR



### Dear Shareholders,

The Maldives Tourism Development Corporation (MTDC) continues to play a significant role in contributing to the Maldives' economy while enhancing shareholder profit. The Company advances with the spirit of a true leader in the tourism sector, arm in arm with the local community, ensuring the enrichment of their lives through success achieved in thoughtful tourism investments. The Company has faced every obstacle and has overcome innumerable difficulties in the past, now emerging as one of the foremost contributors to the growth of tourism in the country. We have opened doors for local communities to reap the benefits of tourism. Despite past challenges, we have been growing in leaps and bounds, meeting the expectations of the shareholders and other stakeholders.

Tourism has been the central pillar of the Maldivian economy since its introduction in 1972. The country has made vast strides in its economic development over the years, and we are proud to be such a major contributor with fast-paced development activities that sustain our uninterrupted growth.

Tourism, being an extremely sensitive industry to the vagaries of the world, the year 2024, also being a period where the world saw a lot of unrest, the sector had its share of struggles. Maldives, being a highly sought-after destination where tourism earnings make or break the economy, faced hardships like other tourist destinations. The country, however, tackled all challenges with visionary insight from the leadership and achieved new heights in attracting a record number of visitors. A multitude of new investors sought opportunities for new investments or investment expansion in tourism, proving increased tourism earnings for the nation. To top it all, the country was crowned the World's Leading Tourist Destination by World Travel Awards yet again.

MTDC has always believed in continuous improvement. To uphold our position as a leader in the field and expansion of our presence in the market, we are persistently refining our operational efficiency to reach greater asset value. The continued pull the country has for international

travellers has helped us remain steady in our growth. The uninhibited charm of the Maldives continues to bewitch visitors with the promise of unending opportunities for the future growth and success of tourism investments.

With guidance from industry strategists, the Company reviewed its strategic plan in the past year and identified new ventures for future investments. The company is forever vigilant of the threats that a changing global fortune may bring, ensuring the right strategies for sustaining the current trajectory of success with more ambitious undertakings chalked out for future developments.

We have maintained an amicable relationship with the proprietors of the company-leased islands, which are in operation as tourist resorts. They account for a significant percentage of the company's revenue

We are also delighted to highlight the resumption of the resort development at H.Dh Naagoashi, earlier interrupted due to financial and other hurdles. The company aims to have the project completed in 2027, realizing a long-held dream of the Company and the people of the region, with employment opportunities for hundreds of locals. The 10-storey office building project under construction in Hulhumale' is on track with the formal opening scheduled for 2025. The building will provide an additional source of continued revenue by offering ultra-modern office space for rent.

Rewarding an attractive dividend to shareholders has always been a key focus of MTDC. Despite some difficult years in the past, our shareholders earned a healthy dividend during the past four years. With the new investments of 2024, the Board has approved a dividend of MVR0.50 per share from the annual net profit of 2024, reassuring the shareholders. The company's net profit was slightly lower than the preceding year due to expenses related to voiding the Naagoshi partnership contract and other preliminary expenses involved in the venture of new partnerships. With promising future investments, the Company can be sure of a bright future that secures our place as a major player in the country's tourism sector.

Investing in human capital has always remained a top priority for the company. To align the team's competency and skills with the demands of the wider Company goals and objectives, a wealth of training and development opportunities were offered to the staff to ensure they are ready for the fast-changing business environment that demands up-to-date knowledge and skills each day. Our Board of Directors received an ample opportunities to get upskilled by local and international experts from the corporate world to help them guide and lead the company towards wider horizons. As a listed company, strictly adhering to established corporate governance, new steps were taken to enhance shareholder trust. We will always remain committed to progress, transparency, good governance, and ethics.

We are proud of the progress the Company made in 2024 through the adaptation of new business strategies and taking new steps to embark on exciting development ventures. We pledge to strive unceasingly towards progress and, under the guidance of the Board, to ensure more attractive dividends to the shareholders each successive year. Protecting our shareholders' rights will be a key priority while we leave no stone unturned seeking greater accomplishments.

It's our sincere prayer that the Almighty bless us in our unceasing efforts of progress and striving for greater accomplishments. With God's grace, we aim to strengthen the trust of the stakeholders and remain a trusted pillar in the field, forever championing the enrichment of the lives of the community.

A handwritten signature in dark ink, appearing to be 'Ahmed Niyaz'.

Ahmed Niyaz  
Managing Director



## COMPANY DIRECTORS

From 1<sup>st</sup> January 2024 - 31<sup>st</sup> December 2024



**Mr. Abdulla Faiz**  
Chairman  
Independent  
/ Non-Executive Director  
6th February 2019 - Current



**Mr. Ahmed Niyaz**  
Managing Director  
Executive Director  
28th November 2023 - Current



**Mr. Hussain Haneef**  
Deputy Managing Director  
Executive Director  
24th December 2023 - Current



**Mr. Ibrahim Bassam Saeed**  
Director  
Independent  
/ Non-Executive Director  
26th December 2023- Current



**Ms. Asamy Rushdy**  
Director  
Independent  
/ Non-Executive Director  
30th June 2019 -Current



**Ms. Aishath Fazeena**  
Director  
Independent  
/ Non-Executive Director  
28th August 2017 - 21st July 2024



**Ms. Aminath Azlifa**  
Director  
Independent  
/ Non-Executive Director  
9th June 2022- Current



**Ms. Aishath Leeza**  
Director  
Independent  
/ Non-Executive Director  
9th June 2022- Current



**Mr. Ibrahim Latheef**  
Director  
Independent  
/ Non-Executive Director  
2nd March 2023- Current



**Ms. Minna Rasheed**  
Director  
Independent  
/ Non-Executive Director  
21st July 2024- Current

## AUDIT AND RISK MANAGEMENT COMMITTEE

From 1<sup>st</sup> January 2024 - 31<sup>st</sup> December 2024

| Name                     | Position | Classification             | Appointments & Resignations                                  |
|--------------------------|----------|----------------------------|--|
| Ms. Aishath Fazeena      | Director | Independent/ Non-Executive | 20 <sup>th</sup> September 2020 - 21 <sup>st</sup> July 2024 |
| Ms. Asamy Rushdy         | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022 - 7 <sup>th</sup> August 2024     |
| Mr. Ibrahim Latheef      | Director | Independent/ Non-Executive | 2 <sup>nd</sup> March 2023 - current                         |
| Ms. Aminath Azlifa       | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current                        |
| Ms. Aishath Leeza        | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current                        |
| Mr. Ibrahim Bassam Saeed | Director | Independent/ Non-Executive | 29 <sup>th</sup> January 2024 - current                      |

## NOMINATION AND REMUNERATION COMMITTEE

From 1<sup>st</sup> January 2024 - 31<sup>st</sup> December 2024

| Name                     | Position | Classification             | Appointments & Resignations  |
|--------------------------|----------|----------------------------|--|
| Ms. Aishath Fazeena      | Director | Independent/ Non-Executive | 20 <sup>th</sup> September 2020 - 7 <sup>th</sup> August 2024  |
| Ms. Aminath Azlifa       | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022 - current   |
| Ms. Aishath Leeza        | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022 - current   |
| Ms. Asamy Rushdy         | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current  |
| Ms. Minna Rasheed        | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current  |
| Mr. Ibrahim Bassam Saeed | Director | Independent/ Non-Executive | 29 <sup>th</sup> January 2024 to 7 <sup>th</sup> August 2024 and from 15 <sup>th</sup> August 2024-current |

## CORPORATE GOVERNANCE AND COMPLIANCE COMMITTEE

From 1<sup>st</sup> January 2024 - 31<sup>st</sup> December 2024

| Name                     | Position | Classification             | Appointments & Resignations                              |
|--------------------------|----------|----------------------------|--|
| Ms. Asamy Rushdy         | Director | Independent/ Non-Executive | 20 <sup>th</sup> September 2020 - current                |
| Ms. Aminath Azlifa       | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022 - 7 <sup>th</sup> August 2024 |
| Ms. Aishath Leeza        | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022 - 7 <sup>th</sup> August 2024 |
| Ms. Minna Rasheed        | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current                    |
| Mr. Ibrahim Bassam Saeed | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current                    |
| Mr. Ibrahim Latheef      | Director | Independent/ Non-Executive | 2 <sup>nd</sup> March 2023 - current                     |



# DIRECTORS PROFILE



**Mr. Abdulla Faiz**  
Chairman  
*Non-Executive Director*

Mr. Abdulla Faiz, a distinguished leader with a robust background in both government representation and private sector ventures, assumed the role of Director of the Board for the Maldives Tourism Development Corporation (MTDC) on February 6, 2019, representing the Government of the Maldives. Demonstrating his exemplary leadership and strategic foresight, he was appointed Chairman of the Board just a week later, on February 13, 2019.

Holding a Master of Business Administration (MBA) from the Australian Institute of Business, Mr. Faiz brings a deep well of knowledge and a forward-thinking approach to his roles. His lifelong commitment to commerce is evident through his active membership with the Chamber of Commerce and Industry of SAARC since 2001, alongside his role as

a founding member of key national institutions such as the National Chamber of Commerce and Industry and the Maldivian Traders Association.

Mr. Faiz's extensive career portfolio includes notable leadership positions, such as Chairman of the Board at State Trading Organization (STO), Managing Director of ADK Shipping and Trading, and Company Director to the Chairman of Villa Trading Company. These roles reflect his unwavering dedication to fostering economic growth and innovation within the Maldives and across the broader South Asian region.

Through decades of service in both public and private sectors, Mr. Abdulla Faiz continues to be a driving force in shaping the commercial and economic landscape of the Maldives.



**Mr. Ahmed Niyaz**  
Managing Director  
*Executive Director*

Mr. Ahmed Niyaz was appointed Managing Director of the Maldives Tourism Development Corporation (MTDC) on November 28, 2023. Bringing with him a wealth of experience across both public and private sectors, Mr. Niyaz is well-positioned to guide MTDC into its next phase of growth and innovation.

Mr. Niyaz held several high-profile leadership roles, including Chairman of the Board of Directors at Maldives Transport and Contracting Company Pvt Ltd, and Chairman of the Board of Directors at State Trading Organization (STO). These roles highlight his strong governance capabilities and proven leadership in key national enterprises.

Mr. Niyaz holds a Master of Business Administration (MBA) from Cardiff Metropolitan University, and a Diploma in Directorship from the

Singapore Institute of Directors, Singapore Management University. His academic foundation in Political Science and Sociology has been instrumental in shaping his comprehensive understanding of governance, administration, and public policy.

In addition to his formal education, Mr. Niyaz has actively pursued continuous professional development through numerous short courses and workshops in Project Management, Leadership, and Director Training, demonstrating his ongoing commitment to excellence and adaptive leadership.

With a strong blend of academic achievement, executive experience, and a forward-thinking approach, Mr. Ahmed Niyaz is poised to lead MTDC with vision and purpose in the evolving economic landscape of the Maldives.



**Mr. Hussain Haneef**  
Deputy Managing Director  
*Executive Director*

Mr. Hussain Haneef joined the Board of the Maldives Tourism Development Corporation (MTDC) on December 24, 2023, as a representative of the Government of the Maldives. With a strong foundation in both education and governance, Mr. Haneef brings valuable insight and experience to the Board.

He holds a Degree in Economics, Political Science, and Sociology, an academic background that provides him with a deep understanding of economic systems, social structures, and political dynamics. Further enhancing his educational leadership credentials, Mr. Haneef earned a Diploma in School Management, which enabled him to serve as Headmaster in several schools across the country. His dedication to education and leadership is reflected in his impactful work in these roles.

From 2013 to 2018, Mr. Haneef served as the Deputy Minister of Education, where he played a key role in formulating and implementing national educational policies and initiatives. His tenure in the ministry showcased his ability to bridge strategic vision with practical solutions, contributing significantly to the country's education sector.

Mr. Hussain Haneef brings a thoughtful, people-centred perspective to MTDC, enriching the corporation's mission with his governance experience and passion for societal advancement.



**Mr. Ibrahim Bassam Saeed**  
*Non-Executive Director*

Mr. Ibrahim Bassam Saeed joined the Board of the Maldives Tourism Development Corporation (MTDC) on December 26, 2023. With a solid track record in business development and strategic consulting, Mr. Bassam brings a results-driven perspective to the corporation.

He holds a Diploma in Business Administration from Segi College, Malaysia, obtained in 2010, equipping him with a strong foundation in core management principles and business operations. Throughout his career, Mr. Bassam has demonstrated a keen ability to identify growth opportunities and implement effective strategies across various sectors. From 2016 to 2020, he served as Business Development Manager at Redleaf Pvt Ltd, where he was instrumental in driving the company's growth and expansion efforts. He later took on the role of Consultant

at Villa Trading Pvt Ltd in 2021 to 2022, where he provided strategic business guidance and played a key role in operational enhancements and decision-making processes.





**Ms. Aishath Fazeena**  
Non-Executive Director  
Former Director

Ms. Aishath Fazeena served on the Board of the Maldives Tourism Development Corporation (MTDC) from 28th August 2017 to July 21, 2024, bringing with her a strong background in finance, education, and corporate governance. During her tenure, she played a vital role in strategic decision-making, contributing to the corporation's financial oversight and organizational development.

Ms. Fazeena currently serves as an Accounting Executive at Waldives Pvt Ltd and holds a Board Director position at State Trading Organization PLC. Her professional journey reflects a consistent commitment to leadership, transparency, and capacity-building across the public and private sectors.

She also served as a Board Director at the Pension Office, a full-time lecturer at the Maldives National University Business School and a part-

time lecturer at Villa College, demonstrating a passion for education and the development of future business leaders. Her corporate leadership experience includes directorships at major national enterprises such as State Trading Organisation Plc and Maldives Transport and Contracting Company Plc, where she made impactful contributions to institutional growth and governance.

Academically, Ms. Fazeena holds a Master of Business Administration (MBA) from the University of the West of England, Bristol; a Bachelor's Degree in Applied Accounting from Oxford Brookes University, UK; and an Executive Diploma in Directorship from Singapore Management University. She is also an affiliate member of the Association of Chartered Certified Accountants (ACCA), underscoring her expertise in financial management and accounting standards.



**Ms. Asamy Rushdy**  
Non-Executive Director

Ms. Asamy Rushdy, a professional with extensive experience in finance, procurement, and business development, was first appointed to the Board of the Maldives Tourism Development Corporation (MTDC) on 30th June 2019, as a representative of the public shareholders. Her appointment reflects a strong commitment to enhancing corporate governance and contributing to the growth of national institutions.

Ms. Asamy holds a Master of Business Administration, equipping her with in-depth knowledge of business management and strategic operations. Her distinguished career at the Bank of Maldives, spanning nearly two decades from 2004 to 2023, underscores her dedication and contributions to the nation's premier financial institution. During

this time, she held various roles that supported the bank's continued success and operational excellence.

In addition to her financial background, Ms. Asamy brings over 12 years of hands-on experience in procurement and supply chain management. Her expertise in this domain is further recognized through her membership in the Chartered Institute of Procurement & Supply (CIPS), an internationally respected credential in the field.

Currently, Ms. Asamy serves as the Head of Business Development at Maldives Haj Corporation, where she continues to lead initiatives focused on strategic growth and innovation.



**Ms. Aminath Azlifa**  
Non-Executive Director

Ms. Aminath Azlifa, a highly qualified and experienced professional, was appointed as a director of the MTDC Board of Directors on 09th June 2022, representing the public shareholders.

Ms. Azlifa, with a diverse educational background in business management, information technology, and marketing, brings a multidisciplinary perspective to her role. Azlifa's academic achievements includes, Masters of Business Administration, Bachelor's of Business Administration from the University of Business and International Studies, Geneva, Switzerland, Associate Degree in Business Marketing and also a Diploma in Information Technology, reflecting her commitment to continuous learning and professional development. Ms. Azlifa has further enhanced her skills through various short trainings conducted by the Civil Service Commission (CSC) and other agencies,

including the Directors Training Program conducted by the Capital Market Development Authority (CMDA). Additionally, she has completed numerous trainings abroad related to corporate governance, leadership, management, and finance, highlighting her dedication to excellence in leadership, management, and governance practices.

With twenty (20) years of management experience across different agencies, Ms. Azlifa currently serves as the Director at the National Bureau of Classification (NBC) and as the Managing Director/CEO of Galactic Private Limited and Executive Director of Maldives Real-estate and Construction Pvt. Ltd. (MARECO).

Her wealth of experience and expertise in management and leadership makes her a valuable asset to MTDC Board, where she contributes to the strategic direction and success of the organization.



**Ms. Aishath Leeza**  
Non-Executive Director

Ms. Aishath Leeza, a distinguished academic and management professional, was first elected to the Board of the Maldives Tourism Development Corporation (MTDC) on 9th June 2022, as a representative of the public shareholders. With a strong foundation in academia, business consultancy, and corporate leadership, Ms. Leeza brings a well-rounded and strategic perspective to the Board.

Since 2014, she has served as a Lecturer at the Maldives National University Business School (MNUBS), where she also previously led the Management Department. In her current capacity as the Acting Dean of Maldives Business School at MNU, Ms. Leeza plays a pivotal role in shaping the future of business education in the Maldives. She further contributes to national academic development as an advisory

committee member for MNU Foundation Studies.

With over 16 years of management experience, Ms. Leeza has worked extensively as a business consultant and corporate trainer, supporting organizations in enhancing their operational efficiency and strategic direction. Her commitment to continuous learning and leadership development is reflected in her participation in numerous international training programs on corporate governance and leadership.

Academically, Ms. Leeza holds a Master of Business Administration (MBA) from Cardiff Metropolitan University, where she was awarded the prestigious President's Award for Academic Excellence in 2015. She is currently pursuing a PhD at the University of Peradeniya (PGIA), with her research focused on the Maldives' tourism sector, a key pillar of the national economy.





**Mr. Ibrahim Latheef**  
Non-Executive Director

Mr. Ibrahim Latheef was first elected to the Board of the Maldives Tourism Development Corporation (MTDC) on 2nd March 2023, as a representative of the public shareholders. With extensive expertise in business management, quality assurance, and strategic operations, Mr. Latheef brings a results-driven approach to his role on the Board. He holds a Master of Business Administration (MBA) from the Open University of Malaysia and a BA (Hons) in Marketing from the University of Hertfordshire. His strong academic foundation in business and marketing is complemented by professional certifications that reflect his commitment to excellence and continuous improvement. Mr. Latheef is a Chartered Quality Professional certified by CQI-IRCA and holds a Six Sigma Green Belt from the Six Sigma Management Institute—credentials that highlight his expertise in quality management and

process optimization. Additionally, he is a Chartered Marketer and a Fellow of the Chartered Institute of Marketing (CIM), underscoring his leadership and recognition in the field of marketing. In his current role as Senior General Manager at Maldives Transport and Contracting Company Plc (MTCC), Mr. Latheef has successfully led multiple divisions including Human Resources & Administration, Transport, and Logistical Operations. His broad management experience across operational and strategic domains positions him as a key contributor to MTDC's growth and governance.



**Ms. Minna Rasheed**  
Non-Executive Director

Ms. Minna Rasheed was elected to the Board of the Maldives Tourism Development Corporation (MTDC) on July 21, 2024. She currently serves as a Superintendent at the Maldives Customs Service, where she heads the Strategic Management Section. Over the years, Ms. Minna has built a distinguished career in customs administration, serving in a wide range of roles including at the Customs Academy, Harbour Clearance, Post and Express Consignment, Tariff and Statistics, and the Valuation and Procedure Section.

She holds a Master of Science in Maritime Law and Policy from the World Maritime University in Sweden, and a Master's in Business Administration with a major in Financial Management from Karnataka State Open

University, India. Her academic and professional experience equips her with a well-rounded perspective in both strategic governance and operational execution.

Ms. Rasheed has also contributed significantly to the development of human capital within the Maldives Customs Administration and other government institutions through teaching, mentoring, and training programs. Her strong leadership, vision, and focus have played a key role in driving innovation and reform within her field.

## SENIOR MANAGEMENT

From 1<sup>st</sup> January 2024 - 31<sup>st</sup> December 2024



**Mr. Ahmed Niyaz**  
Managing Director



**Mr. Hussein Haneef**  
Deputy Managing Director



**Mr. Ibrahim Latheef**  
Chief Financial Officer



**Mr. Islah Shareef**  
General Manager,  
Corporate Affairs



**Ms. Fathmath Thahany Shihab**  
General Manager,  
Business Development



**Mr. Mohamed Shaameen**  
General Manager,  
Operations and Monitoring



**Mr. Fizan Abdulla**  
Assistant Financial  
Controller



**Ms. Mariyam Leena Ali**  
Company Secretary



## SENIOR MANAGEMENT PROFILE



**Mr. Ahmed Niyaz**  
Managing Director

Mr. Ahmed Niyaz, a long-serving and integral member of the Maldives Tourism Development Corporation (MTDC), has been contributing to the organization since November 5, 2007. With a strong foundation in education, governance, and business administration, Mr. Niyaz brings a wealth of experience and a multidimensional perspective to the Board. He holds a Master of Business Administration (MBA) from Cardiff Metropolitan University and a Diploma in Directorship from the Institute of Directorship at Singapore Management University. In addition, he holds a Bachelor's degree in Economics, Political Science, and Sociology, equipping him with a deep understanding of socio-economic frameworks and governance systems.

Mr. Niyaz has over a decade of experience in the education sector, having served as Headmaster in multiple schools across the Maldivian atolls. These leadership roles have allowed him to demonstrate his skills in administration, team building, and organizational development—qualities that continue to benefit MTDC.

Mr. Niyaz has completed a variety of short courses and professional training programs both locally and internationally. These include specialized training in Project Management, Leadership, and Board Directorship, further reinforcing his commitment to personal and professional development.

With his broad expertise and dedication to service, Mr. Ahmed Niyaz continues to play a pivotal role in MTDC's strategic initiatives and long-term success.



**Mr. Hussein Haneef**  
Deputy Managing Director

Mr. Hussain Haneef joined the Maldives Tourism Development Corporation (MTDC) on December 24, 2023, bringing with him a wealth of experience in the education sector and a strong commitment to leadership and development.

Mr. Haneef holds a Bachelor's Degree from the University of Mysore, which reflects his academic diligence and dedication to continuous personal and professional growth. His educational background, combined with his extensive experience in the Maldivian education system, allows him to offer valuable insights and contributions to MTDC's strategic initiatives.

Throughout his career, Mr. Haneef has consistently demonstrated a deep commitment to advancing educational standards in the Maldives. His leadership in shaping policies and driving initiatives has been instrumental in enhancing the quality of education across the nation, making him a key advocate for long-term development.



**Mr. Ibrahim Latheef**  
Chief Financial Officer

Mr. Ibrahim Latheef, a distinguished professional in accounting and finance, began his journey with the Maldives Tourism Development Corporation (MTDC) on December 22, 2011, as a Financial Analyst after completing his Association of Chartered Certified Accountants (ACCA) qualification. His strong foundation in financial principles and dedication to his craft quickly became evident, enabling him to advance within the organization.

Demonstrating exceptional proficiency and leadership, Mr. Latheef was promoted to Finance Manager on April 20, 2014, and shortly thereafter assumed the role of Acting Chief Financial Officer on April 24, 2016. His outstanding contributions were formally recognized on May 21, 2017,

when he was officially appointed as the Chief Financial Officer (CFO) of MTDC.

Throughout his tenure, Mr. Latheef has played a crucial role in steering the financial operations of MTDC. His expertise in fiscal management and strategic decision-making has ensured the Corporation's financial health and supported its long-term goals. His commitment to excellence, combined with continuous professional development, has solidified his position as an invaluable asset to MTDC.



**Mr. Islah Shareef**  
General Manager  
Corporate Affairs

Mr. Islah Shareef is a dedicated professional with a strong background in business administration and has been a key member of the Maldives Tourism Development Corporation Plc (MTDC) since 14 May 2006. Holding both a Diploma and a Degree in Business Administration, he brings over 19 years of work experience to his role as General Manager of Corporate Affairs at MTDC.

Throughout his tenure at MTDC, Mr. Islah has made significant contributions to the Corporation's business operations. As a senior executive team member, he has played a pivotal role in major initiatives, including providing essential support for MTDC's resort development projects and the establishment of its corporate head office operations.

Moreover, Mr. Islah was instrumental in facilitating MTDC's transition to a publicly listed company, offering invaluable administrative support to ensure a smooth and seamless process. His commitment to excellence and steadfast dedication to MTDC's goals have established him as a vital contributor to the Corporation's ongoing success.





**Ms. Fathimath Thahany Shihab**  
General Manager  
Business Development

Ms. Fathimath Thahany Shihab, a dedicated professional with a Bachelor's Degree in International Business and Marketing, has been an integral member of the Maldives Tourism Development Corporation (MTDC) since 2007. With extensive years of experience, Ms. Thahany has made significant contributions to the company by leveraging her expertise to drive MTDC's growth and success.

Throughout her tenure at MTDC, Ms. Thahany has played a vital role in various key areas of the company's operations, demonstrating her commitment to excellence and her ability to contribute meaningfully to the organization's objectives. Her strategic insights and dedication have

been instrumental in advancing MTDC's mission, making her a highly valued asset to the team.

Ms. Fathimath Thahany Shihab's unwavering commitment and contributions have played a crucial part in the company's achievements, reinforcing her role as a key figure in MTDC's continued success.



**Mr. Mohamed Shaameen**  
Operations Manager

Mr. Mohamed Shaameen joined the Maldives Tourism Development Corporation (MTDC) on February 13, 2024, bringing with him a wealth of experience and expertise in business operations. As General Manager of Operations and Monitoring, he has already begun to make valuable contributions to the organization's strategic objectives.

Mr. Shaameen's four years of experience at Atoll Market Pvt Ltd have allowed him to refine his skills in optimizing business processes and enhancing operational efficiency. His track record demonstrates a strong ability to drive strategic planning, manage teams effectively, and implement process improvements that contribute to organizational success.

He holds both a Master of Business Administration (MBA) and a Bachelor of Business Administration (BBA) from the University of Allahabad, which further underscores his commitment to excellence in business management and leadership.

Mr. Shaameen's results-focused approach and dedication to operational excellence align perfectly with MTDC's goals, and his addition to the team is expected to further strengthen the company's operational capabilities.



**Mr. Fizan Abdulla**  
Assistant Financial Controller

Mr. Fizan Abdulla, a professional with over 18 years of experience in finance and accounting, has been an invaluable member of the Maldives Tourism Development Corporation (MTDC) since November 21, 2006.

Mr. Abdulla holds a Bachelor's Degree in Accounting and Finance from Maldives National University, equipping him with a solid understanding of financial principles. He furthered his academic qualifications by earning a Master of Science in Accounting and Financial Management from the University of the West of England, enhancing his expertise in advanced financial management techniques.

With his extensive experience and academic credentials, Mr. Fizan Abdulla plays a crucial role in ensuring the financial health and stability of MTDC.



**Ms. Mariyam Leena Ali**  
Company Secretary

Ms. Mariyam Leena Ali, a seasoned media professional, has been an integral member of the Maldives Tourism Development Corporation (MTDC) since April 1, 2013. With over 16 years of valuable experience in the media industry, Ms. Leena brings a wealth of expertise in media production, management, and communication strategies to her role. Before joining MTDC, Ms. Leena honed her skills at Television Maldives (TVM), where she gained invaluable insights into the intricacies of media operations. Her experience in TVM contributed significantly to her development in media production and communication, which continues to inform her work at MTDC.

Ms. Leena holds a Bachelor of Arts degree and a Post Graduate Diploma in Business Administration from the University of Mysore. Her academic background provides a strong foundation in both media studies and management.



# 2024 YEAR IN REVIEW

## FINANCIAL REVIEW

### Overview

The company experienced significant volatility in its financial performance in 2024 compared to the previous year. The major factors contributing to this volatility include the continued impact due to the Hdh. Naagoashi sublease termination. These developments affected revenue and asset reclassification, particularly relating to investment property and lease liabilities.

### Business Segments

The company's business operations remained focused on subleasing government-assigned properties. No new segments were introduced during the year 2024. The most notable change was the reclassification of Hdh. Naagoashi as an investment property following its sublease termination in the year 2023.

## REVENUE AND PROFIT

### Revenue

Revenue decreased by 22% compared to the previous year. This decline reflects the absence of income from the sublease of Hdh. Naagoashi following its termination.

### Gross Profit

Gross profit declined by 30% from USD 4.4 million to USD 3.1 million, primarily due to the decline in revenue during the year.

### Profit before Tax

Profit before tax reduced by 46% from USD 4.0 million to USD 2.2 million, partially due to the decrease in fair value gain on investment property.

### Net Profit

Net profit increased by 28% to USD 1.95 million impacted by the prior year's deduction for the net change in fair value of equity investments.

### Profitability



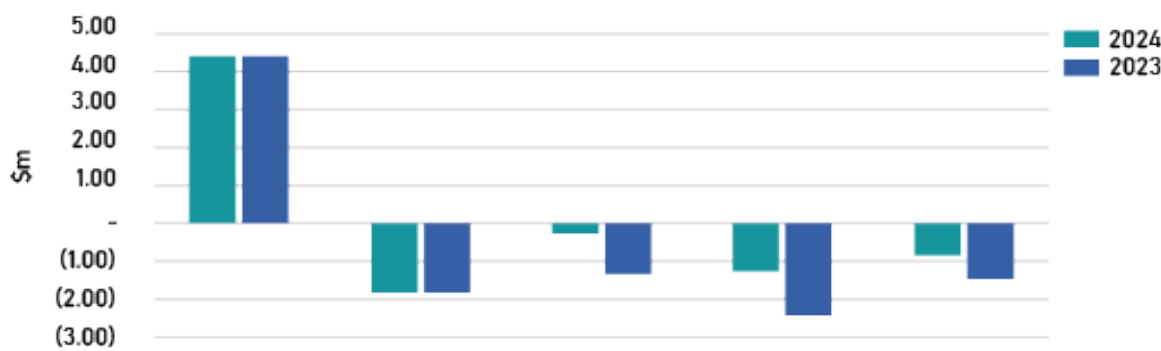
## SHAREHOLDERS' EQUITY

Increased slightly from USD 52.1 million to USD 52.7 million, representing a 1.19% growth, indicating a stable financial position without negative growth.

## LIQUIDITY POSITION

Liquidity deteriorated with a net cash decrease of over USD 1.6 million, mainly driven by expenditures on MTDC office construction, dividend payments and lease rent to the government. This was partially offset by sublease receipts of USD 4.3 million. Liquidity is expected to improve once revenue generation from the MTDC office building begins, estimated to start in 2026.

## CASH MOVEMENT ACTIVITY CHART



|      | Receipts from sub leases | Head lease payments | Tax Paid | Acquisition of Property, Plant and Equipment | Dividend paid during the year |
|------|--------------------------|---------------------|----------|--|-------------------------------|
| 2024 | 4.32                     | (1.78)              | (0.30)   | (1.23)                                       | (0.86)                        |
| 2023 | 4.32                     | (1.78)              | (1.39)   | (2.46)                                       | (1.42)                        |

## DETAILED FINANCIAL PERFORMANCE

| Item              | 2024(USD) | 2023(USD) | Change (%) | Remarks   |
|-------------------|-----------|-----------|------------|---|
| Revenue           | 5.2M      | 6.7M      | -22%       | Impact of Hdh. Naagoashi termination                        |
| Gross Profit      | 3.1M      | 4.4M      | -30%       | Drop in lease revenue                                       |
| Profit Before Tax | 2.2M      | 4.0M      | -46%       | Decrease in fair value gain on investment property.         |
| Net Profit        | 1.95M     | 1.5M      | 28%        | Impacted by net change in fair value of equity investments. |

## IMPACT OF HDH. NAAGOASHI

The Hdh. Naagoashi sublease termination had a continued impact in 2024. No rental income was recorded from the asset, and the investment property revaluation was more moderate than in 2023.



FINANCIAL POSITION

TOTAL ASSETS

Assets rose to USD 90 million from USD 87 million, driven by property investment and capital work-in-progress in the office building project.

LIABILITIES

Total liabilities increased from USD 34.8 million to USD 37.3 million, due to new short-term borrowings and payables related to lease and project execution.

NET ASSETS

Maintained a stable position over the two years.

NET ASSETS

Maintained a stable position over the two years.

EARNINGS AND DIVIDEND

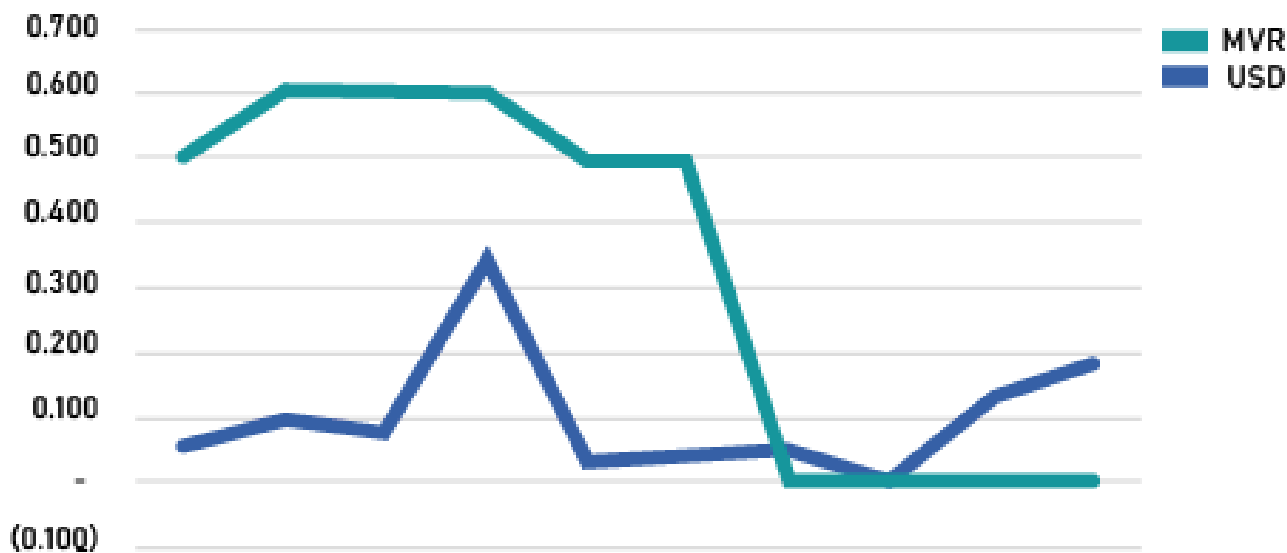
DIVIDEND

The Board proposed a dividend of MVR 0.50 per share for 2024.

DIVIDEND HISTORY

The year 2024 represents the sixth consecutive year that MTDC has maintained continuous dividend distribution since the year 2019.

EARNINGS AND DIVIDEND PER SHARE



ENVIRONMENT PROTECTION

MTDC recognizes the intrinsic connection between the fragile environment of the Maldives and the sustainability of its tourism industry. As such, the corporation places significant emphasis on implementing precautionary measures to safeguard the environment during the planning and execution of its projects. Prior to initiating any development on subleased islands, a team of environmental experts is deployed to conduct thorough assessments and gather data to identify potential environmental risks. The construction and development plans are then conceptualized and designed based on their recommendations, ensuring that the natural ecosystem remains protected and undisturbed.

COMPANY'S SOCIAL RESPONSIBILITY (CSR)

At MTDC we believe that upholding our responsibility to the community should always be prioritized. We aim to build a system through which the benefits and the profits are shared amongst the shareholders and to make it easily accessible for the general public to purchase the shares. Rather than focusing on something temporary and trivial, we aspire to build something that would be of continuous benefit to the community. The reason MTDC was created was so that the public could get the benefits of the tourism Industry. In 2024, MTDC spent MVR 579,246.44 on CSR.

INVESTMENT OF THE COMPANY

The tourism industry of Maldives has benefited the population from its initial introduction into the economy. MTDC is the first publicly listed company that strives to actively make the public a part of the lucrative industry. With the establishment of MTDC on 9th April 2006, the Government upheld the initiatives to engage the public in the tourism industry and made it accessible for the public to reap benefits from the notable profits shared.

Currently, MTDC is the only public company in the tourism industry that actively strives to make the public a part of the industry. MTDC has systems in place to ensure that its current investment portfolio aligns with the overall vision of the company.



**KIHAVAH HURAVALHI,  
BAA ATOLL  
[ANANTARA KIHAVAH VILLAS]**

Kihavah Huravalhi in Baa Atoll was leased to MTDC by the Government on 17th September 2006. Subsequently, MTDC entered into a Sublease Agreement for the island with Minor International Labuan Limited on 23rd October 2007. The developers successfully completed the construction as a 5-star resort, under the name Anantara Kiahavah Villas in 2010, approximately 30 minutes away from Velana International Airport by seaplane. Kihavah Huravalhi continues to boast a significant number of tourist arrivals annually.



**MAGUDHUVAA,  
GAAFU DHAALU ATOLL  
[AYADA MALDIVES]**

Magudhuvaa in Gaafu Dhaalu Atoll was leased to MTDC by the Government on 17th September 2006. Subsequently, MTDC established a Sublease Agreement for the island with a Turkish company, Ahmet Aydeniz on 24 October 2007. The resort was successfully constructed as a 5-star resort, under the name Ayada Maldives in 2011. The property is approximately 50 minutes by domestic flight to Gaafu Dhaalu Kaadedhoo domestic airport and a 30-minute speed boat ride to the resort. Ayada Maldives continues to successfully serve a notable number of tourist arrivals annually.





## ONGOING PROJECT DEVELOPMENT

### NAAGOASHI, HAA DHAALU ATOLL

Naagoashi, located in Haa Dhaalu Atoll, is currently under development as a tourist resort. The island was initially leased by the Government to Maldives Tourism Development Corporation (MTDC) on 17th September 2006. Subsequently, MTDC entered into a Sublease Agreement on 5th December 2007 with a locally registered company. However, due to the sublessee's failure to complete the required construction, despite developing over 30% of the resort by 2016, followed by persistent non-payment of the Sublease rent, the Sublease Agreement was terminated. Consequently, the Headlease for Naagoashi was also terminated in the same year on similar grounds.

A new Lease Agreement between MTDC and the Government was signed on 2nd July 2020. Following this, MTDC entered into a Joint Venture Partnership and Sublease Agreement to facilitate the development and operation of Naagoashi as a tourist resort. However, in August 2023, these agreements were also terminated due to the Joint Venture Partner's inability to meet key deadlines and fulfil the obligations set forth in the agreements.

Despite the setbacks, currently, MTDC has independently initiated the development of Naagoashi. The work plan for the project has been finalized, and detailed architectural and engineering drawings are in the process of being completed. The Government has granted an extension for the resort's construction period until 26th November 2026. MTDC is presently conducting various assessments and feasibility studies on the island.

In alignment with ongoing discussions with the Government, MTDC has taken decisive steps to advance the project. On 11th March 2025, MTDC signed a Consultancy Agreement with OTRI Maldives to provide project consultancy services. Additionally, a construction permit has been officially obtained, and full-scale construction of the resort is scheduled to commence within the year.



### MTDC OFFICE COMPLEX

MTDC's portfolio currently boasts an ongoing project of building a new office complex. The Land Sale Agreement for this initiative was signed with the Housing Development Corporation (HDC) on 30th May 2022, securing Lot No. 11634 in Phase 1 of Hulhumalé. The plot spans 6,194 square feet and is strategically located near Central Park.

Construction of the office complex is being undertaken by Hunan No.6 Engineering Company, a subsidiary of the esteemed Hunan Construction Engineering Group of China. With an extensive track record of successful international projects, Hunan No.6 is well known in the Maldives for its role in developing the Hulhulé–Hulhumalé highway link road, among other prominent infrastructure projects. To initiate the construction phase, MTDC formalized an agreement with Hunan No.6 Engineering Company on 25th September 2023. Gedor Consulting Pvt Ltd has been appointed as the Design Consultancy and Project Management Consultant, responsible for architectural concept development, engineering drawings, project management, and site supervision. Gedor Consulting is widely recognized in the Maldives for its distinguished expertise in construction management services.

Strategically located near Hulhumalé Central Park, MTDC's ten-story office complex is designed with a modern architectural concept featuring a full-height, floor-to-ceiling glass façade and a total built-up area of 2,205 square meters. The development includes a range of premium amenities, such as a ground floor café, basement-level parking, a convention hall on the first floor, and upper floors designated for commercial office use. The project is guided on the grounds of environmental design philosophy, incorporating key sustainability and energy efficiency elements throughout. Notable features include the use of low-energy lighting fixtures, low-E (low-emissivity) glass, and advanced thermal insulation systems. These design considerations aim to significantly reduce the building's carbon footprint over its operational lifespan, reinforcing MTDC's commitment to sustainable development.

The project is currently in its final construction phase, with completion targeted for the last quarter of 2025. Upon completion, MTDC will proudly inaugurate its first-ever commercial building under the company's ownership, marking a significant milestone in its growth and diversification strategy.





## CORPORATE GOVERNANCE

MTDC is continuously trying to implement the principles of corporate governance into the work environment to ensure that the work is done diligently in a responsible and transparent way.

Ensuring that work is done according to the company's law, Corporate Governance Code, Listing Rules, and CDOI regulations in a fair way ensuring the rights of all our stakeholders are protected which is always a priority of the board of Directors.

The duty of the shareholders of MTDC is to elect the board of Directors and Auditors and to ensure their actions and decisions are in accordance with the company's laws and principles, respecting the rights of the stakeholders and shareholders alike.

The company's board of directors are selected according to the company's operational law where there will be 9 board directors of which the government will appoint 4 directors and the remaining 5 will be elected by shareholders.

Moreover, the process of appointing a Managing Director and a Chairman is that amongst the 4 directors appointed by the government. Names of the nominations for the post of Managing Director and Chairman will be handed over to the company's Nomination and Remuneration committee to analyze and research their qualifications and whether the 2 members recommended by the government are fit to be Managing Director and Chairman. Taking their analysis into consideration the members will only be appointed if the board of directors sees them as fit for the position.

MTDC is proud of the fact that we have abided by all the rules and regulations of the corporate governance code during the year 2024. We have ensured that set procedures and internal control systems had been adhered to achieve this objective. External auditors and Internal auditors are appointed by the board with the recommendation of the Audit Committee.

The reason that Nomination and Remuneration acts as a single committee is because the responsibilities of both committees are similar. Non-Executive Directors are briefed about the ideologies and vision of the main shareholders on the first day of being appointed. Currently, no ED serves as a NED in any Company.

The Board of Directors discussed and resolved strategic issues of the company related to MTDC sublease islands, business and legal issues as well as issues related to MTDC properties. These board decisions have been delegated to the management.

## CONFLICT OF INTEREST

In accordance with the conflict of interest policy, if any immediate family member of the Director holds a share in any other company this information must be shared within the company. It is the duty of the Company Secretary to ensure this information is noted and made aware of.

## RESPONSIBILITIES OF THE BOARD

According to the Company's Articles of Association, Corporate Governance, Listing Rules, CDOI regulations and the Maldives Financial Security Law, it is the responsibility of the board to do what is necessary, above and beyond the set regular meetings to attain the objectives of the company. Moreover, to ensure the rights of the shareholders are protected, set a business plan and financial plan for the company, find the investors to achieve the basic fundamental needs of the company, searching ways to increase the annual dividend of the shareholders and find solutions for potential problems and threats for the company by creating an internal control system are some of the highlighted responsibilities of the board. The decisions made by the board are used to make the decisions affecting the company, and it is these decisions that the senior management will bring a practical implementation to.

## APPOINTING MTDC'S BOARD OF DIRECTORS

According to the company's Articles of Association, the board of directors include a total of 9 directors of which 4 are appointed by the government and the remaining 5 are appointed through a vote during the Annual General Meeting (AGM) by the shareholders. The directors appointed by the government are selected by the Privatization and Corporation Board. Currently, MTDC employs 4 directors appointed by the government and 5 elected by the shareholders. We would also like to highlight that 4 of the 9 directors are female. There is no specific policy created about gender diversification amongst the directors of the Corporation. However, we do follow the gender diversity in the corporate governance code established. And there has been no service contract created with any directors of the Company.

## RESPONSIBILITY OF THE CHAIRMAN

The Chairman's responsibility is following the company's Articles of Association, in accordance with the laws set to complete his term as the highest authority of the company and the board of directors and fulfill his duties.

## RESPONSIBILITY OF THE MANAGING DIRECTOR

Run the daily operations of the company according to the decisions made by the board of directors and take responsibility to ensure the tasks assigned are completed.



TRANSACTIONS WITH THE GOVERNMENT

The government of the Maldives is the major shareholder of MTDC, there have been business negotiations and transactions held between the company and the government.

We invest on T bills when the government tenders the T bill invitation. In 2024, we invested in T Bills.

TRANSACTIONS WITH DIRECTORS

There have not been any borrowings, or any capitalized interests in the past year. And no director and Managing Director have been given the opportunity to receive any securities from any company of their subsidiaries.

SALARIES AND ALLOWANCES OF DIRECTORS AND SENIOR MANAGEMENT

Directors and the Senior management are given a basic salary and a fixed allowance. The salaries are set considering the allowances given to the employees of the industry in accordance with the advice from the Nomination and Remuneration committee. During the year 2024, the total expenditure for salaries and allowances for the board of directors was MVR 1,573,612.90. The allowances are set such that, the directors get a director's fee worth MVR 12,000 a and sitting allowance of MVR 1,000. The person appointed as the Chairman of the board will get a total allowance of MVR 20,000. The members of the sub-committees ( Audit and Risk Management Committee, Nomination and Remuneration Committee and Corporate Governance and Compliance Committee) will get a sitting allowance of MVR 1,000 for each sitting. There is no policy to give any directors neither a performance incentive nor a severance fee and there is no service contract made.

Employees of the company are paid in basic salary and allowances, considering the job market and the standard rules set when paying their employees. Considering that framework, any external allowances such as giving the company shares to their employees as remuneration have not been approved. A bonus allowance was given in the year 2024. There has been a separate agreement created with the employees and MTDC regarding being made redundant and the notice applicable, the remuneration in such a case the employee is being let go in accordance with the rules and set guidelines of the employment laws. And also no stock option is offered.

TOTAL SALARY AND ALLOWANCE OF DIRECTORS FOR THE YEAR 2024

| Name                     | Position                 | Classification             | Total (MVR) |
|--------------------------|--------------------------|----------------------------|-------------|
| Mr. Abdulla Faiz         | Chairman                 | Independent/ Non-Executive | 255,000     |
| Mr. Ahmed Niyaz          | Managing Director        | Executive                  | 158,000     |
| Mr. Hussain Haneef       | Deputy Managing Director | Executive                  | 158,000     |
| Mr. Ibrahim Bassam Saeed | Director                 | Independent/ Non-Executive | 167,000     |
| Ms. Asamy Rushdy         | Director                 | Independent/ Non-Executive | 167,000     |
| Ms. Aishath Fazeena      | Director                 | Independent/ Non-Executive | 96,451.61   |
| Mr. Ibrahim Latheef      | Director                 | Independent/ Non-Executive | 167,000     |
| Ms. Aminath Azlifa       | Director                 | Independent/ Non-Executive | 167,000     |
| Ms. Minna Rasheed        | Director                 | Independent/ Non-Executive | 71,161.29   |
| Ms. Aishath Leeza        | Director                 | Independent/ Non-Executive | 167,000     |

TOTAL REMUNERATION GIVEN TO MEMBERS OF THE SENIOR MANAGEMENT FOR THE YEAR 2024

Members of the senior management are given a basic salary, phone allowance and a fixed allowance. During the year 2024, the total expenditure spent as salaries and allowances for senior management employees totaled to MVR 3,378,559.74

SHARES OWNED BY MEMBERS OF THE BOARD OF DIRECTORS AS OF 2024

| Name                     | Position                 | Classification             | Director's Share |
|--------------------------|--------------------------|----------------------------|------------------|
| Mr. Abdulla Faiz         | Chairman                 | Independent/ Non-Executive | Nil              |
| Mr. Ahmed Niyaz          | Managing Director        | Executive                  | 550              |
| Mr. Hussain Haneef       | Deputy Managing Director | Executive                  | Nil              |
| Mr. Ibrahim Bassam Saeed | Director                 | Independent/ Non-Executive | Nil              |
| Ms. Asamy Rushdy         | Director                 | Independent/ Non-Executive | 308              |
| Ms. Aishath Fazeena      | Director                 | Independent/ Non-Executive | 50               |
| Mr. Ibrahim Latheef      | Director                 | Independent/ Non-Executive | 1100             |
| Ms. Aminath Azlifa       | Director                 | Independent/ Non-Executive | 200              |
| Ms. Minna Rasheed        | Director                 | Independent/ Non-Executive | 1162             |
| Ms. Aishath Leeza        | Director                 | Independent/ Non-Executive | 100              |



DIRECTOR'S ATTENDANCE

There were 14 Board meetings and 1 Non-Executive Directors meetings held during 2024.  
From 1<sup>st</sup> January 2024 - 31<sup>st</sup> December 2024

| Name                     | Position                 | Classification             | Attendance |
|--------------------------|--------------------------|----------------------------|------------|
| Mr. Abdulla Faiz         | Chairman                 | Independent/ Non-Executive | 14/14      |
| Mr. Ahmed Niyaz          | Managing Director        | Executive                  | 14/14      |
| Mr. Hussain Haneef       | Deputy Managing Director | Executive                  | 14/14      |
| Mr. Ibrahim Bassam Saeed | Director                 | Independent/ Non-Executive | 14/14      |
| Ms. Asamy Rushdy         | Director                 | Independent/ Non-Executive | 14/14      |
| Ms. Aishath Fazeena      | Director                 | Independent/ Non-Executive | 7/7        |
| Mr. Ibrahim Latheef      | Director                 | Independent/ Non-Executive | 12/14      |
| Ms. Aminath Azlifa       | Director                 | Independent/ Non-Executive | 14/14      |
| Ms. Minna Rasheed        | Director                 | Independent/ Non-Executive | 6/7        |
| Ms. Aishath Leeza        | Director                 | Independent/ Non-Executive | 14/14      |

ATTENDANCE OF NON EXECUTIVE DIRECTORS MEETING

| Name                     | Position | Classification             | Attendance |
|--------------------------|----------|----------------------------|------------|
| Mr. Abdulla Faiz         | Chairman | Independent/ Non-Executive | 1/1        |
| Ms. Asamy Rushdy         | Director | Independent/ Non-Executive | 1/1        |
| Ms. Aishath Fazeena      | Director | Independent/ Non-Executive | 0/0        |
| Mr. Ibrahim Latheef      | Director | Independent/ Non-Executive | 1/1        |
| Ms. Aminath Azlifa       | Director | Independent/ Non-Executive | 1/1        |
| Ms. Minna Rasheed        | Director | Independent/ Non-Executive | 1/1        |
| Mr. Ibrahim Bassam Saeed | Director | Independent/ Non-Executive | 1/1        |
| Ms. Aishath Leeza        | Director | Independent/ Non-Executive | 1/1        |

No Service contracts with a director proposed for election at the next AGM were made in the year 2024. No such contract of significance subsisting during or at the end of the accounting period in which a director of the issuer or of any subsidiary was materially interested, either directly or indirectly. Also, no contract of significance between the issuer or any of its subsidiaries & a substantial shareholder or any subsidiaries was made. And no contract of significance for the provision of services to the issuer and its subsidiaries by a substantial shareholder or any subsidiaries was made.

There were no major operations or subsidiaries during the financial year and there were no State subsidiaries. Also, there was no State Company's borrowing, and no state interest capitalized by the issuer and its subsidiaries during the year.

There are no direct and indirect interests of each director and chief executive of the issuer in the equity or debt securities of the issuer or any subsidiaries.

SYSTEM TO DEAL WITH COMPLAINTS

The employees at MTDC have the option of sending anonymous letters to the board meetings in regards to an issue or complaint.

EXTERNAL AUDITORS

During the year 2024, the entire external auditing of MTDC was conducted by Ernst & Young.

POLICY OF INTERNAL CONTROL

The policy of Internal Control in MTDC has been created in such a way that would reduce the risk of creating new policies and achieving them. The aim of creating an internal control system is so that we would be able to identify potential threats and risk continuously and being able to tackling it beforehand. Company's internal audit function is outsourced and conducted annually due to less operations.

INTERACTION WITH SHAREHOLDERS

The company believes it is of utmost importance that there is a healthy interactive exchange of information between the company and its shareholders. So in order to be transparent and to provide the information about the company to its shareholders, the information is published in the Gazette and in the company's website and announced via the media. Also in accordance to the laws of Capital Market Development Authority's security being released, MTDC announces its quarterly reports every year and also gives the shareholders the full right to question the current board of directors and senior management during the Annual General Meeting (AGM).

SUB-COMMITTEES OF THE BOARD OF DIRECTORS

In accordance with the corporate governance code, MTDC's board of directors are divided into the following sub-committees.

- 1. Nomination and Remuneration Committee
- 2. Audit and Risk Management Committee
- 3. Corporate Governance and Compliance Committee

According to the corporate governance code, taking into consideration the number of directors on the board, the Nomination and Remuneration have been decided to be made a single committee. There have been individual charters created for the committees, all given a name respective of their committee, (Nomination and Remuneration charter, Audit committee charter and Corporate Governance and Compliance charter) and are uploaded to the website so the shareholders are able to see it.

Looking into the details of the job description of the directors and what they do in the meetings conducted amongst them, they identify the current situation of the company as well as the financial status and look and discuss ways to improve the current condition and come about a decision on how the company will progress forward. And the decisions made are made to benefit the company and its shareholders alike.



In the meeting they discuss the problems faced and how we can tackle them, employing people in order to run the business more efficiently and also give advice and discuss ways we can build and improve the islands leased out by the government. The decisions, the board members come to are often always overlooked by the sub-committees and their advice is taken into consideration. In the same way, advice from lawyers and professionals on the matter is taken into consideration whenever coming to a decision or conclusion.

Some of the decisions they make include, regarding the budget, regarding the assets of the company and the introduction of a senior post needed for the company. The decisions made by the board are discussed with the senior management, the people who later on implement them into the workforce.

During 2024, the performance of the members of the board of directors were evaluated, such being the Chairman, Managing Director, Directors, committees and the Company Secretary.

## STATEMENT BY THE NOMINATION AND REMUNERATION COMMITTEE

### MAIN TASKS AND RESPONSIBILITIES OF THE NOMINATION AND REMUNERATION COMMITTEE:

This committee was created to assist the board of directors in completing their duties and responsibilities.

The main responsibilities of the committee include:

- Assist in the recruitment of new directors and check the competing applicants have the necessary skills, experience or academic qualification to be eligible for the post.
- Check whether the board has been appointed according to the Company's Articles and continuously checks the work progress of the directors.
- Help establish the process through which Executive posts are to be hired and the standard needed to be filled by someone who is going to be appointed to such a role.
- Advice on the salary and allowances of Directors, Chief Officers and other senior management positions.

The nomination and remuneration charter will be available to download on the company's website.

### FORMATION OF THE COMMITTEE

The committee is made up of 4 non-executive members. Other senior members of the management are welcome to join the session/meeting if they want to input any valuable information or advice.

### NOMINATION AND REMUNERATION COMMITTEE

| Name                     | Position | Classification             | Appointments and Resignations                              | Attendance |
|--------------------------|----------|----------------------------|--|------------|
| Ms. Aminath Azlifa       | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022-current                         | 3/3        |
| Ms. Aishath Leeza        | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022-current                         | 3/3        |
| Ms. Asamy Rushdy         | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current                      | 1/1        |
| Ms. Minna Rasheed        | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current                      | 1/1        |
| Mr. Ibrahim Bassam Saeed | Director | Independent/ Non-Executive | 15 <sup>th</sup> August 2024 - current                     | 1/1        |
| Ms. Aishath Fazeena      | Director | Independent/ Non-Executive | 20 <sup>th</sup> September 2020-21 <sup>st</sup> July 2024 | 2/2        |



During the year **2024** there has been a total of **3** meetings held for the Nomination and Remuneration committee

The company's Chairman is selected amongst the **4** directors appointed by the government. That is why this position is not available for the public to apply for.

Currently, all the employees at MTDC are permanent staff. However, a foreign employee works under a contract. The allowance of giving the shares of the company to its employees or it being available for purchase for them is not currently available.

In the case of both a staff leaving the company or being let go, there should be at least **2** months prior notice given.

All personnel selected as a member of the senior management will be interviewed by the Nomination and Remuneration committee as a part of hiring them. The board, directors and committee will assess the interview based on the criteria given by the management. For people applying to the board of directors, it is checked whether they are fit and capable for the role since **2015**.

**ACTIONS TAKEN BY THE COMMITTEE DURING 2024**

- Establish the mainframe for salaries and allowances for employees and give advice regarding it.
- Check the eligibility and application of candidates who applied for the position of directors amongst the general shareholders.

The remuneration package of the employees consists of salary and allowances which were made referring to the laws and how the people in the industry and such are paid. A special bonus or share of the company is not given as a part of the remuneration package. These are made taking into consideration the employment laws in Maldives. Each individual employee and MTDC will have a separate employment contract highlighting the procedures that will be carried out in the case the employee is being made redundant, the notice period, any forms of compensation etc.

Likewise, there is no performance-linked incentive or severance fee that is paid to the directors. Moreover, there is no service contract made.

The remuneration package in detail inclusive of all allowances of executive directors is not public, this is because of the heavy competition in the market and the possibility of a competitor offering better deals and taking them is present. However, the salary of the executive directors will be mentioned.



Ms. Aminath Azlifa  
Chairperson  
Nomination and Remuneration Committee



# STATEMENT BY THE AUDIT AND RISK MANAGEMENT COMMITTEE

## MAIN DUTIES AND RESPONSIBILITIES OF THE AUDIT AND RISK COMMITTEE

This committee was created to help the board of directors achieve their goals and targets. The main responsibilities of the committee include:

- Maintain the company's financial records, internal control, and protecting the rights of the shareholders.
- Ensuring healthy communication amongst the senior management, Board of directors, and Internal and External Auditors.
- Check the integrity and transparency of the work done by the internal and external auditors.
- Check whether the company is abiding by the law, and be on the lookout for potential losses, and being vary and advise the board on how to overcome them.

The charter of the audit and risk committee will be available on the website.

## FORMATION OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The committee consists of 4 Non-Executive Directors. Other members of the senior management and board are welcome to join the sessions/meetings to input their knowledge and expertise.

## AUDIT AND RISK COMMITTEE

| Name                     | Position | Classification             | Appointments and Resignations                | Attendance |
|--------------------------|----------|----------------------------|--|------------|
| Ms. Aishath Fazeena      | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022- 21st July 2024   | 4/4        |
| Mr. Ibrahim Latheef      | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022- current          | 7/7        |
| Mr. Ibrahim Bassam Saeed | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current        | 6/6        |
| Ms. Asamy Rushdy         | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022 - 7th August 2024 | 4/4        |
| Ms. Aminath Azlifa       | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current        | 3/3        |
| Ms. Aishath Leeza        | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current        | 3/3        |

In the year 2024, there was a total of 7 meetings held. And every discussion made in the committee was brought upon the attention of the Board of Directors. To ensure the shareholders know about the work done, the audit report was made public last year.

## MAIN ACTIVITIES OF THE AUDIT COMMITTEE

Highlights of 2024

- Check and revise the financial reports and statements of 2024
- Hire an internal auditor and make the necessary arrangements to pay them.
- Recommend an external auditor to the Board of Directors.
- Check and revise the quarterly financial records and year-end statements.
- Revise the company's overall risk management and advise the board about the necessary amendments needed
- Reviewing the budget



Mr. Ibrahim Latheef  
Chairman  
Audit and Risk Management Committee



# STATEMENT BY THE CORPORATE GOVERNANCE AND COMPLINACE COMMITTEE

## MAIN RULES AND RESPONSIBILITIES OF THE COMMITTEE

This committee was created to help the board of directors achieve their goals and vision within the company. The main responsibilities include:

- Ensuring the company is following the corporate governance code
- Advice the committees and the board about the best practices of corporate governance
- Ensuring the board and other committees check the charters annually and upgrade and make relevant changes
- Maintaining the dividend sharing policy of the company
- Make sure the assessment and evaluation of the board is being carried out accordingly
- Check whether the newly appointed board members are given the orientation and the necessary trainings conducted by the N.R committee.
- Assure the information about the company is being given to the newly appointed members of the board

The full Charter of Corporate Governance and Compliance Committee will be available on MTDC's website.

## FORMATION OF THE CORPORATE GOVERNANCE AND COMPLIANCE COMMITTEE

The committee consists of 4 non-executive directors. Other members of the senior management and board are welcome to join the sessions/meetings to input their knowledge and expertise.

## CORPORATE GOVERNANCE AND COMPLIANCE COMMITTEE

During the year 2024, there was a total of 4 meetings held by this committee

| Name                     | Position | Classification             | Appointments and Resignations                           | Attendance |
|--------------------------|----------|----------------------------|---|------------|
| Ms. Asamy Rushdy         | Director | Independent/ Non-Executive | 20 <sup>th</sup> September 2020 – Current               | 4/4        |
| Ms. Aminath Azlifa       | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022- 7 <sup>th</sup> August 2024 | 2/2        |
| Ms. Aishath Leeza        | Director | Independent/ Non-Executive | 30 <sup>th</sup> June 2022- 7 <sup>th</sup> August 2024 | 2/2        |
| Ms. Minna Rasheed        | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024 - current                   | 2/2        |
| Mr. Ibrahim Bassam Saeed | Director | Independent/ Non-Executive | 7 <sup>th</sup> August 2024-current                     | 2/2        |
| Mr. Ibrahim Latheef      | Director | Independent/ Non-Executive | 2 <sup>nd</sup> March 2023-current                      | 4/4        |

## MAIN ACTIVITIES OF CORPORATE GOVERNANCE COMPLIANCE COMMITTEE

Highlights of 2024

- Checking whether the newly appointed board members have received their orientation
- Checking whether the trainings set by the N.R Committee has been given to the directors
- Ensuring whether the company is complying with the necessary laws and regulations (Corporate governance code, Listing rules, CDOI Regulations)
- Checking whether the other committees are complying and following their charters
- Making sure the company is following the principles of corporate governance



Ms. Asamy Rushdy  
Chairperson  
Corporate Governance and Compliance Committee



## FUTURE PLANS OF MTDC

As part of MTDC's long-term growth strategy, the company is working on several future initiatives aimed at expanding its portfolio, strengthening its market position, and contributing meaningfully to the development of the tourism sector in the Maldives. MTDC envisions a forward-looking and diversified future, built on a foundation of sustainable development and value creation for stakeholders. In line with this vision, MTDC is currently formulating detailed plans to introduce and implement the following key initiatives:

- **Development of New Resort Properties:**

MTDC aims to capitalize on its core strength in tourism infrastructure by identifying new island development opportunities through strategic partnerships and investment models.

- **Diversification into Development and Operation of Hotels:**

The Company plans to expand its presence in the hospitality sector by entering into hotel development and operational ventures and strengthening its presence in the industry.

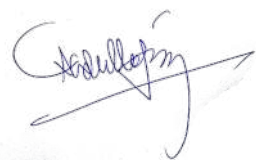
MTDC remains committed to delivering impactful progress across these strategic pillars. Implementation frameworks are currently being formulated, with a clear focus on responsible growth and innovation. Through these efforts, MTDC reaffirms its mission to be a significant player in the Maldives tourism and development landscape.

## DIRECTOR'S DECLARATION

MTDC is committed to maintaining the highest standards of transparency, accountability, and regulatory compliance. All activities undertaken during the year **2024** have been carried out in full accordance with the Corporate Governance Code, Listing Rules, the Securities Act, and the company's internal rules and regulations.

Following a comprehensive review of the financial statements and reports, all relevant and material information has been disclosed and made available to shareholders. The company's Revenue Statement, Balance Sheet, Shareholder Dividend Details, Dividend Policy Changes, and Expenditure Records have all been prepared in accordance with the International Financial Reporting Standards (IFRS).

In the preparation of the Annual Report, any significant or relevant matters have been clearly outlined and explained for the benefit of shareholders and stakeholders. Furthermore, since the preparation of the balance sheet, no events have occurred that would necessitate changes to the reported financial figures.



Abdulla Faiz  
Chairman



Ahmed Niyaz  
Managing Director

## AUDIT REPORT & AUDITED FINANCIAL STATEMENTS 2024



**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC**  
**AUDITOR'S REPORT AND FINANCIAL STATEMENTS**  
**31 December 2024**



DN/NJ/KS

## **Independent auditor's report To the shareholders of Maldives Tourism Development Corporation PLC**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of Maldives Tourism Development Corporation PLC (the "Company") which comprise the statement of financial position as of 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as of 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming the auditors' opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



| Key audit matters   | How our audit addressed the key audit matter   |
|---|--|
| <p><b>Valuation of investment property.</b></p> <p>As disclosed in note 17 to the financial statements, Investment Property amounting to USD 25.9 million as the reporting date consist of the headlease right of the Naagoashi Island and partially completed leasehold improvements thereon carried at fair value.</p> <p>The fair value of investment property was determined by an external valuer engaged by the Company.</p> <p>This was a key matter due to:</p> <ul style="list-style-type: none"> <li>• Materiality of the carrying value of the investment property.</li> <li>• The degree of assumptions, judgement and estimations and uncertainty associate with fair valuation of investment property.</li> </ul> <p>Key areas of significant judgements, assumptions and estimates used in the valuation of investment property included following</p> <ul style="list-style-type: none"> <li>• Estimate useful lifetime of the building structures</li> <li>• Estimate lease acquisition cost per hectare for respective atoll.</li> <li>• Valuation assumptions such as cost of construction, wear and tear, market condition and highest and best use of the head lease right and the lease hold improvements thereon.</li> </ul> | <p><b>Our audit procedures included the following</b></p> <ul style="list-style-type: none"> <li>• We assess the competency, capability and objectivity of the external valuer engaged by the Company.</li> <li>• We read the external valuers report and understood the key estimates made and approach taken by valuer for determine the valuation of investment property.</li> <li>• We assessed the reasonableness of valuation techniques and significant judgement, assumptions, and estimates used by the external valuer.</li> <li>• We assessed the adequacy of disclosures made in note 17 to financial statement relating significant judgement, assumptions, and estimates used by the external valuer.</li> </ul> |

#### Other Matter

The financial statements of the Company for the year ended 31 December 2023, were audited by another auditor who expressed a modified opinion on those statements on 30 June 2024.

#### Other information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon, which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



## **Other information (Continued)**

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



### **Auditor's responsibilities for the audit of the financial statements (Continued)**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with IESBA code of Ethics regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Dhunya Nizar.



For and on behalf of Ernst & Young  
Partner: Dhunya Nizar  
Licensed Auditor: ICAM-IL-Z73

14 March 2025  
Male'





**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC**  
**(INCORPORATED IN THE REPUBLIC OF MALDIVES)**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER**

|  |       |                  | Restated         |
|--|-------|------------------|------------------|
|  | Notes | 2024<br>USD      | 2023<br>USD      |
| Revenue  | 6     | 5,227,828        | 6,702,727        |
| Direct Cost  | 7     | (2,128,686)      | (2,274,409)      |
| <b>Gross Profit</b>  |       | <b>3,099,142</b> | <b>4,428,318</b> |
| Administrative Expenses  |       | (1,614,406)      | (1,589,356)      |
| Net Loss on Lease Modifications and Derecognition              | 8     | -                | (12,272,642)     |
| Change in Fair value of Investment Property                    | 17    | 820,702          | 6,050,000        |
| Reversal of Payables to Government of Maldives                 | 26    | -                | 7,681,853        |
| <b>Results from Operations</b>                                 |       | <b>2,305,438</b> | <b>4,298,173</b> |
| Finance Income   | 9     | 181,641          | 190,677          |
| Finance Costs  | 10    | (331,790)        | (457,327)        |
| <b>Net Finance Costs</b>                                       |       | <b>(150,149)</b> | <b>(266,650)</b> |
| <b>Profit Before Tax</b>                                       |       | <b>2,155,289</b> | <b>4,031,523</b> |
| Tax Expenses   | 12    | (232,497)        | (949,900)        |
| <b>Profit for the Year</b>                                     |       | <b>1,922,792</b> | <b>3,081,623</b> |
| <b>Other Comprehensive Income for the Year</b>                 |       |                  |                  |
| Equity Investment Measured at FVOCI - Net change in fair value | 18    | -                | (1,562,500)      |
| <b>Total Comprehensive Income for the Year</b>                 |       | <b>1,922,792</b> | <b>1,519,123</b> |
| <b>Basic Earnings Per Share</b>                                | 13    | 0.056            | 0.090            |
| <b>Dividend Per Share</b>                                      | 24.5  | 0.039            | 0.039            |

Figures in brackets indicate deductions.

The Financial Statements are to be read in conjunction with the related notes which form an integral part of the Financial Statements of the Company set out on pages 9 to 38. The Report of the Independent Auditor is given on pages 1 to 4.





**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
STATEMENT OF FINANCIAL POSITION**

**AS AT 31<sup>ST</sup> DECEMBER**

|  | Notes | 2024<br>USD       | 2023<br>USD       |
|--|-------|-------------------|-------------------|
| <b>ASSETS</b>                          |       |                   |                   |
| <b>Non-Current Assets</b>              |       |                   |                   |
| Property, Plant and Equipment          | 14    | 5,255,583         | 2,084,950         |
| Right of Use Asset                     | 15    | 44,563            | 89,129            |
| Intangible Assets                      | 16    | 7,216             | 169               |
| Investment Property                    | 17    | 25,991,337        | 25,170,635        |
| Net Investment in Sub Leases           | 19.2  | 51,715,843        | 52,491,503        |
| Advance Payments to Contractors        | 20    | -                 | 2,000,000         |
| <b>Total Non-Current Assets</b>        |       | <b>83,014,542</b> | <b>81,836,386</b> |
| <b>Current Assets</b>                  |       |                   |                   |
| Net Investment in Sub Leases           | 19.2  | 1,680,519         | -                 |
| Other Receivables                      | 21    | 47,443            | 51,904            |
| Tax Receivable                         | 28    | 154,999           | 95,665            |
| Short Term Investments                 | 22    | 4,515,295         | 4,061,231         |
| Cash and Bank Balances                 | 23    | 610,270           | 917,754           |
| <b>Total Current Assets</b>            |       | <b>7,008,526</b>  | <b>5,126,554</b>  |
| <b>Total Assets</b>                    |       | <b>90,023,068</b> | <b>86,962,940</b> |
| <b>EQUITY AND LIABILITIES</b>          |       |                   |                   |
| <b>Equity</b>                          |       |                   |                   |
| Share Capital                          |       | 26,183,719        | 26,183,719        |
| Share Premium                          |       | 607,415           | 607,415           |
| Retained Earnings                      |       | 25,903,381        | 25,306,945        |
| <b>Total Equity</b>                    |       | <b>52,694,515</b> | <b>52,098,079</b> |
| <b>Liabilities</b>                     |       |                   |                   |
| <b>Non-Current Liabilities</b>         |       |                   |                   |
| Lease Liabilities                      | 25.4  | 22,895,600        | 22,665,531        |
| Payables to the Government of Maldives | 26.1  | 6,380,133         | 6,802,904         |
| Deferred Tax Liability                 | 12.2  | 887,407           | 900,570           |
| <b>Total Non-Current Liabilities</b>   |       | <b>30,163,140</b> | <b>30,369,005</b> |
| <b>Current Liabilities</b>             |       |                   |                   |
| Lease Liabilities                      | 25.4  | 622,770           | 499,672           |
| Payables to the Government of Maldives | 26.1  | 560,074           | 53,918            |
| Trade and Other Payables               | 27    | 4,617,538         | 3,942,266         |
| Bank overdraft                         | 23    | 1,365,031         | -                 |
| <b>Total Current Liabilities</b>       |       | <b>7,165,413</b>  | <b>4,495,856</b>  |
| <b>Total Liabilities</b>               |       | <b>37,328,553</b> | <b>34,864,861</b> |
| <b>Total Equity and Liabilities</b>    |       | <b>90,023,068</b> | <b>86,962,940</b> |

Figures in brackets indicate deductions.

The Financial Statements are to be read in conjunction with the related notes which form an integral part of the Financial Statements of the Company set out on pages 9 to 38. The Report of the Independent Auditor is given on pages 1 to 4.

These Financial Statements were approved by the Board of Directors and signed on its behalf by:

  
**Ibrahim Latheef**  
Chairperson of Audit and Risk  
Management Committee

  
**Ahmed Niyaz**  
Managing Director

  
**Ibrahim Latheef**  
Chief Financial Officer



14 May 2025  
Male'





MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER

|   | Notes | Share<br>Capital<br>USD | Share<br>Premium<br>USD | Retained<br>Earning<br>USD | Total<br>Equity<br>USD |
|---|-------|-------------------------|-------------------------|----------------------------|------------------------|
| As at 1 <sup>st</sup> January 2023  |       | 26,183,719              | 607,415                 | 25,114,178                 | 51,905,312             |
| <i>Total Comprehensive Income for the Year</i>                            |       |                         |                         |                            |                        |
| Profit for the Year - Restated  | 38    | -                       | -                       | 3,081,623                  | 3,081,623              |
| Equity Investment Measured at FVOCI - Net change in fair value - Restated | 38    | -                       | -                       | (1,562,500)                | (1,562,500)            |
| <i>Transactions with Owners of the Company</i>                            |       |                         |                         |                            |                        |
| Dividends declared during the Year  |       | -                       | -                       | (1,326,356)                | (1,326,356)            |
| As at 31 <sup>st</sup> December 2023                                      |       | <u>26,183,719</u>       | <u>607,415</u>          | <u>25,306,945</u>          | <u>52,098,079</u>      |
| <i>Total Comprehensive Income for the Year</i>                            |       |                         |                         |                            |                        |
| Profit for the year   |       | -                       | -                       | 1,922,792                  | 1,922,792              |
| <i>Transactions with Owners of the Company</i>                            |       |                         |                         |                            |                        |
| Dividend declared during the year   |       | -                       | -                       | (1,326,356)                | (1,326,356)            |
| As at 31 <sup>st</sup> December 2024                                      |       | <u>26,183,719</u>       | <u>607,415</u>          | <u>25,903,381</u>          | <u>52,694,515</u>      |

**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER**

|   | Note | 2024<br>USD        | 2023<br>USD        |
|---|------|--------------------|--------------------|
| <b>Cash Flows from Operating Activities</b>                   |      |                    |                    |
| Profit Before Tax   |      | 2,155,289          | 4,031,523          |
| <i>Adjustments for:</i>                                       |      |                    |                    |
| Interest Income on Net Investment in Sub Leases               | 6    | (5,227,828)        | (6,702,727)        |
| Net Loss on Lease Modifications                               | 8    | -                  | 12,272,642         |
| Interest Income on Fixed Deposits                             | 9    | (104,967)          | (190,677)          |
| Interest Income on Treasury Bills                             | 9    | (76,674)           | -                  |
| Depreciation of Property Plant and Equipment                  | 14   | 39,565             | 39,549             |
| Amortization of Right of Use Asset                            | 15   | 44,566             | 44,570             |
| Amortization of Intangible Assets                             | 16   | 1,653              | 6,993              |
| Change in Fair value of Investment Property                   | 17   | (820,702)          | (6,050,000)        |
| Interest on Lease Liabilities                                 | 25   | 2,135,002          | 2,284,635          |
| Reversal of Payables to Government of Maldives                | 26   | -                  | (7,681,853)        |
| Interest on Amount Payable to the Government of Maldives      | 26   | 305,210            | 447,067            |
| Loss on Disposal of Property, Plant and Equipment             |      | 14,481             | -                  |
| <b>Operating Loss Before Working Capital Changes</b>          |      | <b>(1,534,405)</b> | <b>(1,498,278)</b> |
| <i>Changes in :</i>   |      |                    |                    |
| Other Receivables   |      | 4,461              | (22,701)           |
| Trade and Other Payables                                      |      | 213,708            | (25,593)           |
| <b>Cash Used In Operating Activities</b>                      |      | <b>(1,316,236)</b> | <b>(1,546,572)</b> |
| Receipts from Sub Leases                                      | 19   | 4,322,969          | 4,322,969          |
| Lease Payments  | 25   | (1,781,835)        | (1,781,834)        |
| Tax Paid  | 28   | (304,994)          | (1,385,905)        |
| <b>Net Cash From / (Used In) Operating Activities</b>         |      | <b>919,905</b>     | <b>(391,342)</b>   |
| <b>Cash Flows From Investing Activities</b>                   |      |                    |                    |
| Acquisition of Property, Plant and Equipment                  | 14   | (1,224,678)        | (464,312)          |
| Acquisition of Intangible Assets                              |      | (8,700)            | -                  |
| Advance payments to contractors                               | 21   | -                  | (2,000,000)        |
| Net Movement in Fixed Deposits                                |      | (272,423)          | 190,677            |
| <b>Net Cash Used In Investing Activities</b>                  |      | <b>(1,505,801)</b> | <b>(2,273,635)</b> |
| <b>Cash Flows From Financing Activities</b>                   |      |                    |                    |
| Dividend Paid during the Year                                 |      | (864,794)          | (1,427,760)        |
| Settlement of Payables to the Government of Maldives          |      | (221,825)          | -                  |
| <b>Net Cash Used In Financing Activities</b>                  |      | <b>(1,086,619)</b> | <b>(1,427,760)</b> |
| <b>Net Decrease in Cash and Cash Equivalents</b>              |      | <b>(1,672,515)</b> | <b>(4,092,737)</b> |
| <b>Cash and Cash Equivalents at the Beginning of the Year</b> |      | <b>917,754</b>     | <b>5,010,491</b>   |
| <b>Cash and Cash Equivalents at the End of the Year</b>       | 23   | <b>(754,761)</b>   | <b>917,754</b>     |

Figures in brackets indicate deductions.

The Financial Statements are to be read in conjunction with the related notes which form an integral part of the Financial Statements of the Company set out on pages 9 to 38. The Report of the Independent Auditor is given on pages 1 to 4.





**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATE IN REPUBLIC IN MALDIVES)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**1. REPORTING ENTITY**

Maldives Tourism Development Corporation PLC (the Company) is a Company incorporated and domiciled in the Republic of Maldives as a public limited liability Company. The Company is listed on the stock exchange of Maldives and governed under the Companies Act No. 10 of 1996 of the Republic of Maldives with its registered office at the 1<sup>st</sup> floor, G. Fathruvehi, Buruzu Magu, Male, Maldives.

**Principal activities and nature of the operation**

The Company is primarily involved in subleasing the islands allotted to the Company by the Government of the Maldives.

**Number of employees**

The number of employees at the end of the reporting period was 20 (2023: 16).

**Authorization for issue**

The financial statements of the Company for the year ended 31 December 2024 were authorized for issue on 14 May 2025.

**2. BASIS OF PREPARATION**

it was published by

**(a) Statement of Compliance**

The financial statements have been prepared in accordance with IFRS Accounting Standards.

**(b) Basis of Measurement**

The financial statements have been prepared on the historical cost basis except for Equity Investment Measured at FVOCI and Investment Property.

**(c) Functional and Presentation Currency**

These financial statements are presented in United States Dollars, which is the Company's functional currency. All financial information presented in United States Dollars has been rounded to the nearest Dollar.

**(d) Going Concern**

The Board of Directors have made an assessment of the Company's ability to continue as a going concern and they do not intend either to liquidate or to cease operations. Hence the financial statements have been prepared under the going concern basis



**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATE IN REPUBLIC IN MALDIVES)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**3. USE OF ESTIMATES AND JUDGEMENTS**

**a. Use of Estimates and Judgements**

In preparing these financial statements, management has made judgments and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

**a. Judgements**

Information about critical judgment in applying accounting policies that has the most significant effect on the amounts recognized in the financial statements is included in the respective notes.

classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI on the principal amount outstanding.

recognition and measurement of contingencies: key assumptions about the likelihood and Magnitude of an outflow of resources.

**b. Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties as at 31<sup>st</sup> December 2023 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the respective notes.

**i. Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follow.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2: inputs other than quoted prices included in Level that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATE IN REPUBLIC IN MALDIVES)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**4. MATERIAL ACCOUNTING POLICIES**

The Company has consistently applied the following accounting policies to all accounting periods presented in these financial statements.

**4.1 Foreign Currency Transactions**

Transactions in foreign currencies are translated into the respective functional currencies of companies at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss and presented within finance costs.

**a. Revenue Interest income on net investment in sub-lease**

The Company generates revenue primarily from subleasing the right-of-use assets acquired under the head-lease arrangement. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured.

The Company recognizes a financial asset called net investment in sub-lease under IFRS 16 by discounting future rentals receivables from the sub-lessee at the initial recognition date. Investment in sub-lease is measured at amortized cost and interest income on investment in sub-lease is recognized in profit or loss as revenue using the effective interest method. Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability.

**b. Cost of operations Interest expense on the lease liability**

The Company incurs the cost of operations primarily for the right-of-use assets acquired under the head-lease arrangement. The Company recognizes financial liability called lease liability under IFRS 16 by discounting future lease rental payments at the initial recognition date. The lease liability is recognized at amortized cost and interest expense on lease liability is recognized in profit or loss as cost of operations using the effective interest rate method.

**c. Expenditure Recognition**

Expenses are recognized in the statement of comprehensive income on the basis of direct association between the cost incurred and the earning of specific items of income. All expenditures incurred in the running of the business and in maintaining the property Plant and equipment in a state of efficiency has been charged to income in arriving at the profit for the year.

Expenditure incurred for the purpose of acquiring, expanding, or improving assets of permanent nature by means of which to carry on the business or for the purpose of increasing the earning capacity of the business has been treated as capital expenditure.

**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATE IN REPUBLIC IN MALDIVES)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**d. Income Tax**

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI. The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

**(i) Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

**(ii) Deferred Tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss.

Deferred tax assets are recognized for unused tax losses. Unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.



**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATE IN REPUBLIC IN MALDIVES)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**4.5 Income Tax (Continued)**

**(ii) Deferred Tax**

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this presumption. Deferred tax assets and liabilities are offset only if certain criteria are met.

**4.6 Property, Plant and Equipment**

**(i) Recognition and Measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss.

**(ii) Subsequent Costs**

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

**(iii) Depreciation**

calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATE IN REPUBLIC IN MALDIVES)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**e. Property, Plant and Equipment (Continued)**

**(iii) Depreciation (Continued)**

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. The estimated useful lives for the current and comparative periods are as follows:

Office Equipment Over 05 Years  
Other Equipment Over 05 Years  
Furniture, Fittings Over 05 Years  
Computer Equipment Over 03 Years  
Communication Equipment Over 05 Years  
Machinery Over 10 Years

Depreciation methods, useful lives, and residual values are reviewed at each financial year-end and adjusted if appropriate.

A full months depreciation is provided in the month of ready-to-use while, no depreciation is provided in the month of disposal.

**(iv) Capital Work in Progress**

Assets under construction as at the year-end represents the costs incurred or accrued for the assets which have not commenced the usage as at the year end.

**f. Investment Property**

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at fair value on initial recognition and subsequently. Changes in fair values are presented in profit and loss as part of other income.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in the statement of profit or loss.

In respect of the investment property under construction, the Corporation measures the work in progress at cost until the earlier of the date on which the fair value of the property can be measured reliably or the date on which the construction is completed.

**g. Intangible Assets**

**(i) Recognition and Measurement**

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Costs that are directly associated with the purchase and implementation of identifiable and unique software products by the Company are recognized as intangible assets. Expenditures that enhance and extend the benefits of computer software programs beyond their original specifications and lives are recognized as a capital improvement and added to the original cost of the software.



**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATE IN REPUBLIC IN MALDIVES)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**(ii) Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill is recognized in profit or loss as incurred.

**(iii) Amortization**

Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of assets unless such lives are indefinite. The estimated useful lives for the current and comparative periods are as follows:

Computer software - Over 3 Years

**h. Financial Instruments**

**(i) Recognition and Initial Measurement**

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at Fair Value through Profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

**(ii) Classification and subsequent measurement**

**Financial assets**

On initial recognition, a financial asset is classified as measured at: amortized cost, Fair Value through Other Comprehensive Income (FVOCI) Debt investment, FVOCI equity investment or FVTPL.

Financial assets are not classified subsequent to their initial recognition unless the Company changes its business model for managing financial assets. In this case all affected financial assets are classified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

It is held within a business model whose objective is to hold assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. Accordingly, the Company has irrevocably elected to present subsequent changes in fair value in OCI.

**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATE IN REPUBLIC IN MALDIVES)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**4.9 Financial Instruments (Continued)**

**ii) Classification and subsequent measurement (Continued)**

Financial assets designated at FVOCI comprise Company's investments in equity shares.  
Financial assets - Business Model Assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to the management.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - Assessment of Whether the Cash Flows are Solely Payment of Principal and Interest

For the purposes of this assessment, principal is defined as the fair value of the financial asset on initial recognition, Interest is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Equity instruments have contractual cash flows that do not meet the SPPI criterion. Accordingly, all such financial assets are measured at FVOCI.

**(iii) Financial assets - Subsequent Measurement and gains and losses**

Financial Assets at amortised cost

These assets are subsequently measured at amortized cost using the effective at Amortized interest method. The amortized cost is reduced by impairment losses. Interest Income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

**(iv) Financial liabilities classification, subsequent measurement and gains and losses**

Financial Liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FV TPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

The Company's non-derivative financial liabilities consist of amount due to related parties, loans and borrowings and trade and other payables. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.



**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATE IN REPUBLIC IN MALDIVES)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**4.9 Financial Instruments (Continued)**

**(v) De-recognition**

**Financial assets**

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of the ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not de-recognized.

**Financial Liabilities**

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also de-recognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On the de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

**4.10 Impairment**

**(i) Non-derivative financial assets**

**Financial instruments**

The Company recognizes loss allowances for ECLs on financial assets (including lease receivables) measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured at 12-month ECLs.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment that includes forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

**Measurement of ECLs**

**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
(INCORPORATE IN REPUBLIC IN MALDIVES)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**i. Impairment (Continued)**

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

**Credit-impaired financial assets**

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit -impaired includes the following observable data:

- significant financial difficulty of the sub lessee.
- a breach of contract such as a default.
- it is probable that the debtor will enter bankruptcy or other financial reorganization.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

**(ii) Non-financial assets**

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**j. Share Capital**

**Ordinary shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.





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**4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**4.11 Share Capital (Continued)**

**Share Premium**

Share premium represents the premium realized by issue of shares at a price above the par value.

**4.12 Leases**

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**i. As a lessee**

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease.

The lease payments included in the measurement of the lease liability comprise the following,

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date:
- amounts expected to be payable by the lessee under residual value guarantees:
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.



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**4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**k. Leases (Continued)**

**i. As a lessee (Continued)**

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property as separately and lease liabilities separately in the statement of financial position.  
Short-term Leases and Leases of Low-value Assets

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**ii. As a lessor**

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Company applies IFRS 15 to allocate the consideration in the contract. The Company applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease. The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of other revenue.

**l. Events Occurring After the Reporting Date**

The materiality of the events occurring after the reporting date has been considered and appropriate adjustments and provisions have been made in the financial statements wherever necessary.



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**4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**m. Fair Value Measurement (Continued)**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When level one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

**n. Investments in Equity Securities**

Investments in equity securities caption in the statement of financial position includes:

- equity investment securities designated as at FVOCI.

The Company elects to present changes in the fair value of investments in equity instruments that are not held for trading in OCI. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

Fair value gains and losses on such equity instruments are never reclassified to profit or loss and no impairment is recognized in profit or loss. Dividends are recognized in profit or loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognized in OCI. Cumulative gains and losses recognized in OCI are transferred to retained earnings on disposal of an investment.

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**4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**o. Defined contribution plan (Continued)**

Employees are eligible for Maldives retirement pension scheme in line with the respective statutes and regulations. The Company contributes 7% of basic salary of Maldivian employees to Maldives Retirement Pension Scheme.

**p. Other Liabilities and Provision**

All known liabilities have been accounted for in preparing the financial statements. The materiality of the events after the reporting period have been considered and appropriate adjustments and provisions have been made in the financial statement where necessary.

Liabilities classified as current liabilities in the statement of financial position are those, which fall due for payment on demand or within one year from the end of the reporting period. Non-current liabilities are those balances, which fall due after one year from the end of the reporting period.

Provisions are recognized when the Company has a present obligation (legal or Constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income of any reimbursement.

**5. NEW AND AMENDED STANDARDS AND INTERPRETATIONS**

The new and amended standards and interpretations that are issued up to the date of issuance of the Company's financial statements but are not effective for the current annual reporting period, are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

**Lack of exchangeability – Amendments to IAS 21**

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.



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**5. NEW AND AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED)**

**IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

**IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments**

On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later.



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**5 NEW AND AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED)**

**Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity**

In December 2024, IASB issued amendments to IFRS 9 and IFRS 7, contracts referencing nature-dependent Electricity, which clarify the application of 'own-use' requirements, permitting these contracts to be used as a hedge instruments and adding new disclosure requirements.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adoption is permitted and must be disclosed.

**Annual improvements to IFRS Accounting Standards - Volume II:**

Annual improvements in the form of clarifications, update to language and/ or cross references have been made to the following IFRS Accounting Standards. These improvements are effective for annual reporting periods beginning on or after beginning on or after 1 January 2026. Earlier application is permitted.

- IFRS 1 First-time Adoption of International Financial Reporting Standards
- IFRS 9 Financial Instruments
- IFRS 7 Financial Instruments: Disclosures
- IFRS 10 Consolidated Financial Instruments
- IAS 7 Statement of Cashflows





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|  |                     |                                  |
|--|---------------------|----------------------------------|
| <b>6 REVENUE</b>   | <b>2024<br/>USD</b> | <b>2023<br/>USD</b>              |
| Interest Income on Net Investment in Sub Leases (Note 19)  | 5,227,828           | 6,702,727                        |
|  | <b>5,227,828</b>    | <b>6,702,727</b>                 |
| <b>7 DIRECT COST</b>   | <b>2024<br/>USD</b> | <b>2023<br/>USD</b>              |
| Interest Expense on Lease Liabilities (Note 25.3)  | 2,128,686           | 2,274,409                        |
|  | <b>2,128,686</b>    | <b>2,274,409</b>                 |
| <b>8 NET LOSS ON LEASE MODIFICATIONS AND DERECOGNITION</b>   | <b>2024<br/>USD</b> | <b>Restated<br/>2023<br/>USD</b> |
| Gain on Modification of Lease Liabilities (Note 26)  | -                   | 2,533,741                        |
| Loss on Derecognition of Net Investment in Sub Leases (Note 8.1)   | -                   | (14,806,383)                     |
|  | <b>-</b>            | <b>(12,272,642)</b>              |
| <b>8.1</b> The Company has derecognized Net Investment in Sublease related to Nagoashi Island with effect from 26 <sup>th</sup> August 2023 as a result of termination of sublease agreement. On the derecognition of net investment in sublease, the Company has recognized the Right of Use Assets and the Improvements on leasehold land as an Investment property as at 31 <sup>st</sup> December 2023. The net loss arising from this transaction is given below. |                     |                                  |
|  | <b>2024<br/>USD</b> | <b>Restated<br/>2023<br/>USD</b> |
| Derecognition of Net Investment in Sub Lease (Note 19)   | -                   | (24,387,018)                     |
| Recognition of Investment Property (Note 17)   | -                   | 9,580,635                        |
|  | <b>-</b>            | <b>(14,806,383)</b>              |
| <b>9 FINANCE INCOME</b>  | <b>2024<br/>USD</b> | <b>2023<br/>USD</b>              |
| Interest Income on Fixed Deposits  | 104,967             | 190,677                          |
| Interest Income on Treasury Bills  | 76,674              | -                                |
|  | <b>181,641</b>      | <b>190,677</b>                   |
| <b>10 FINANCE COSTS</b>  | <b>2024<br/>USD</b> | <b>2023<br/>USD</b>              |
| Interest on Amount Payable to the Government of Maldives (Note 26)   | 305,210             | 447,067                          |
| Interest on Bank Overdrafts  | 20,264              | 34                               |
| Interest on Lease Liability (Note 25.3)  | 6,316               | 10,226                           |
|  | <b>331,790</b>      | <b>457,327</b>                   |
| <b>11 PROFIT BEFORE TAX</b>  | <b>2024<br/>USD</b> | <b>2023<br/>USD</b>              |
| <i>Profit before tax is stated after charging all the expenses including the following:</i>  |                     |                                  |
| Employee Salary and Benefits   | 599,427             | 454,723                          |
| Depreciation of Property Plant and Equipment   | 39,565              | 39,551                           |
| Amortization of Right of Use Assets  | 44,566              | 44,570                           |
| Directors Remuneration and Other Allowances  | 102,050             | 101,040                          |
| Professional Fees  | 47,733              | 59,085                           |
| Auditors' Remuneration - Audit services  | 25,095              | 26,120                           |
| Auditors' Remuneration - Non Audit services  | 2,500               | 2,700                            |
| Amortization of Intangible Assets  | 1,653               | 6,993                            |

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| <b>12 TAX EXPENSES</b>                           | <b>2024</b>    | <b>2023</b>    |
|--|----------------|----------------|
|  | <b>USD</b>     | <b>USD</b>     |
| <b>Income Tax</b>                                |                |                |
| Current Tax Expense (Note 12.1)                  | 245,660        | 43,554         |
| <b>Deferred Tax</b>                              |                |                |
| Origination of Temporary differences (Note 12.2) | (13,163)       | 906,346        |
|  | <b>232,497</b> | <b>949,900</b> |

| <b>12.1 Reconciliation Between Accounting Profit and Taxable Income :</b> | <b>2024</b>    | <b>2023</b>   |
|---|----------------|---------------|
|   | <b>USD</b>     | <b>USD</b>    |
| Accounting Profit Before Tax  | 2,155,289      | 4,031,523     |
| Aggregate Disallowable Expenses   | 583,772        | 10,245,525    |
| Aggregate Allowable Expenses  | (1,068,903)    | (13,954,263)  |
| Tax-free threshold  | (32,425)       | (32,425)      |
| Taxable Profit for the Year   | 1,637,733      | 290,360       |
| Income Tax @ 15%  | <b>245,660</b> | <b>43,554</b> |

In accordance with the provisions of the Income Tax Act No. 25 of 2019, relevant regulations and subsequent amendments thereto, the Company is liable for income tax on its taxable profits at the rate of 15%.

| <b>12.2 Deferred Tax Liability</b>    | <b>2024</b>    | <b>2023</b>    |
|---------------------------------------|----------------|----------------|
|                                       | <b>USD</b>     | <b>USD</b>     |
| As at 1 <sup>st</sup> January         | 900,570        | (5,776)        |
| (Reversal)/Provision during the Year  | (13,163)       | 906,346        |
| <b>As at 31<sup>st</sup> December</b> | <b>887,407</b> | <b>900,570</b> |

The provision for deferred tax is attributable to the following and the deferred tax is recognized at the rate of 15%.

|                        | <b>2024</b>                 |                   | <b>2023</b>                 |                   |
|------------------------|-----------------------------|-------------------|-----------------------------|-------------------|
|                        | <b>Temporary Difference</b> | <b>Tax Effect</b> | <b>Temporary Difference</b> | <b>Tax Effect</b> |
|                        | <b>USD</b>                  | <b>USD</b>        | <b>USD</b>                  | <b>USD</b>        |
| Property and Equipment | (33,955)                    | (5,093)           | (46,190)                    | (6,930)           |
| Investment Property    | 5,950,000                   | 892,500           | 6,050,000                   | 907,500           |
|                        | <b>5,916,045</b>            | <b>887,407</b>    | <b>6,003,810</b>            | <b>900,570</b>    |

**13 BASIC AND DILUTED EARNINGS PER SHARE**

The calculation of the basic earnings per share is based on the profit for the year attributable to ordinary shareholders and weighted average number of shares outstanding during the year and calculated as follows:

|  | <b>2024</b> | <b>2023</b> |
|--|-------------|-------------|
|  | <b>USD</b>  | <b>USD</b>  |
| Profit for the year - USD                  | 1,922,792   | 3,081,623   |
| Weighted Average Number of Ordinary Shares | 34,087,354  | 34,087,354  |
| Basic Earnings Per Share - USD             | 0.056       | 0.090       |
| Dilutive Earnings Per Share - USD          | 0.056       | 0.090       |



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**14 PROPERTY, PLANT AND EQUIPMENT**

|   | Balance as at<br>01.01.2024         | Additions<br>during the<br>year         | Disposals<br>during the year           | Balance as at<br>31.12.2024         |
|---|-------------------------------------|---|--|-------------------------------------|
| <u>Cost</u>   | <u>USD</u>                          | <u>USD</u>                              | <u>USD</u>                             | <u>USD</u>                          |
| Land  | 1,546,648                           | -                                       | -                                      | 1,546,648                           |
| Office Equipment  | 22,836                              | 698                                     | (13,300)                               | 10,234                              |
| Other Equipment   | 5,218                               | 252                                     | (4,214)                                | 1,256                               |
| Furniture & Fittings                                    | 151,397                             | 2,246                                   | (73,290)                               | 80,353                              |
| Computer Equipment                                      | 116,948                             | 17,297                                  | (86,233)                               | 48,012                              |
| Communication Equipment                                 | 11,385                              | 878                                     | (8,058)                                | 4,205                               |
| Machinery   | 14,475                              | -                                       | -                                      | 14,475                              |
|   | <b>1,868,907</b>                    | <b>21,371</b>                           | <b>(185,095)</b>                       | <b>1,705,183</b>                    |
| <b>14.1 Accumulated depreciation</b>                    | <b>Balance as at<br/>01.01.2024</b> | <b>Charge for<br/>the year</b>          | <b>Disposals<br/>during the year</b>   | <b>Balance as at<br/>31.12.2024</b> |
|   | <b>USD</b>                          | <b>USD</b>                              | <b>USD</b>                             | <b>USD</b>                          |
| Office Equipment  | 21,418                              | 670                                     | (13,300)                               | 8,788                               |
| Other Equipment   | 4,739                               | 149                                     | (4,214)                                | 674                                 |
| Furniture & Fittings                                    | 93,403                              | 23,439                                  | (58,809)                               | 58,032                              |
| Computer Equipment                                      | 102,337                             | 12,932                                  | (86,233)                               | 29,036                              |
| Communication Equipment                                 | 9,884                               | 928                                     | (8,058)                                | 2,754                               |
| Machinery   | 8,023                               | 1,447                                   | -                                      | 9,470                               |
|   | <b>239,804</b>                      | <b>39,565</b>                           | <b>(170,614)</b>                       | <b>108,754</b>                      |
| <b>14.2 Work in progress</b>                            | <b>Balance as at<br/>01.01.2024</b> | <b>Incurred<br/>during the<br/>year</b> | <b>Transferred<br/>during the year</b> | <b>Balance as at<br/>31.12.2024</b> |
|   | <b>USD</b>                          | <b>USD</b>                              | <b>USD</b>                             | <b>USD</b>                          |
| Capital work in progress                                | 455,847                             | 3,203,307                               | -                                      | 3,659,154                           |
| <b>Total value of property, plant<br/>and equipment</b> | <b>2,084,950</b>                    |   |  | <b>5,255,583</b>                    |



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| <b>15 RIGHT OF USE ASSET</b>    | <b>2024</b>    | <b>2023</b>    |
|---------------------------------|----------------|----------------|
|                                 | <b>USD</b>     | <b>USD</b>     |
| <b>Cost</b>                     |                |                |
| Opening Balance                 | 222,831        | 222,831        |
| Closing Balance                 | <b>222,831</b> | <b>222,831</b> |
| <b>Accumulated Amortization</b> |                |                |
| Opening Balance                 | 133,702        | 89,132         |
| Amortization for the Period     | 44,566         | 44,570         |
| Closing Balance                 | <b>178,268</b> | <b>133,702</b> |
| <b>Net Carrying Value</b>       | <b>44,563</b>  | <b>89,129</b>  |

**15.1** The Company has recognized the right-of-use asset for the leasehold of the first floor of the MATI Building, located at Male' 20094, Republic of Maldives. As of 31<sup>st</sup> December 2024, the lease term has 1 year remaining.

| <b>16 INTANGIBLE ASSETS</b>     | <b>2024</b>   | <b>2023</b>   |
|---------------------------------|---------------|---------------|
|                                 | <b>USD</b>    | <b>USD</b>    |
| <b>Cost</b>                     |               |               |
| Opening Balance                 | 33,984        | 33,984        |
| Additions during the Year       | 8,700         | -             |
| Closing Balance                 | <b>42,684</b> | <b>33,984</b> |
| <b>Accumulated Amortization</b> |               |               |
| Opening Balance                 | 33,815        | 26,822        |
| Amortized during the Year       | 1,653         | 6,993         |
| Closing Balance                 | <b>35,468</b> | <b>33,815</b> |
| <b>Net Carrying Value</b>       | <b>7,216</b>  | <b>169</b>    |

**16.1** The intangible assets are amortized over the period of 3 years from the month of capitalization.

| <b>17 INVESTMENT PROPERTY</b>              | <b>Right of Use</b> | <b>Leasehold</b>    | <b>2024</b>       |
|--|---------------------|---------------------|-------------------|
|  | <b>Asset</b>        | <b>Improvements</b> |                   |
|  | <b>USD</b>          | <b>USD</b>          | <b>USD</b>        |
| As at 1 <sup>st</sup> January 2024         | 15,630,635          | 9,540,000           | 25,170,635        |
| Fair value gain for the year               | 920,702             | (100,000)           | 820,702           |
| <b>As at 31<sup>st</sup> December 2024</b> | <b>16,551,337</b>   | <b>9,440,000</b>    | <b>25,991,337</b> |
| As at 1 <sup>st</sup> January 2023         | -                   | -                   | -                 |
| Recognized during the year                 | 9,580,635           | 9,540,000           | 19,120,635        |
| Fair value gain for the year               | 6,050,000           | -                   | 6,050,000         |
| <b>As at 31<sup>st</sup> December 2023</b> | <b>15,630,635</b>   | <b>9,540,000</b>    | <b>25,170,635</b> |

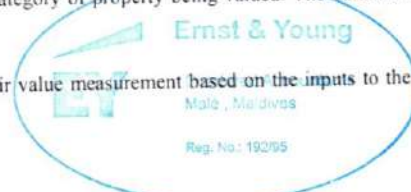
**17.1** Investment Property consist of Right of Use Asset relating to the Naagoashi Island and the leasehold improvement on the Island. upon termination of sublease contract on 26th August 2023, the Company has recognized the respective Right of Use Assets and leasehold improvement as investment property.

The value of the investment property as at the reporting date, has been determined by an independent valuer engaged by the Company and the fair value hierarchy, valuation technique and significant unobservable inputs are disclosed below.

**17.2 Fair value hierarchy**

The fair value of leasehold improvements has been determined by an external, independent valuation firm, having appropriate recognized professional qualifications and recent experience in the location and category of property being valued. The valuation report was issued on 7<sup>th</sup> April 2025.

The fair value measurement for the property has been categorized as a Level 3 fair value measurement based on the inputs to the valuation technique used.





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**17 INVESTMENT PROPERTY (CONTINUED)**

**Valuation technique and significant unobservable inputs**

The following table shows the valuation technique use in measuring the fair value of investment property, as well as the significant unobservable inputs used.

| Valuation technique   | Significant unobservable key inputs  | Inter-relationship between the key unobservable inputs and fair value measurement   |
|---|--|---|
| The valuation model considers the cost approach since the property is an abandoned project and the demand shall be based on typical market participant concept of the design configuration and the target market segment. Therefore, the demand for the structures as they stand shall be discounted for the investment criteria and the state condition and design material in the structures. | Cost of Construction per Villa : USD 250,000/- to USD 300,000/-<br><br>Remediation & Contingencies : 15% from total cost<br><br>Costs are adjusted for removal of detective elements remedial work and mobilization costs. | The estimated fair value would increase (decrease) if:<br><br>- the cost of construction per villa or Island rent changes<br><br>- the remediation & Contingencies rate changes<br><br>- the remedial work and mobilization costs changes |

**18 EQUITY INVESTMENT MEASURED AT FVOCI**

|                                    | 2024<br>USD | Restated<br>2023<br>USD |
|------------------------------------|-------------|-------------------------|
| Opening Balance                    | -           | 11,102,500              |
| Fair value adjustment              | -           | (1,562,500)             |
| Transferred to investment property | -           | (9,540,000)             |
| Closing Balance                    | -           | -                       |

- 18.1** The Company has recognized its investment in Global Resort and Development Maldives Private Limited as at 31st December 2022. The recognised investment amounts to USD 11,102,500/-, by transferring the capital work in progress of Naagooshi Island during the year ended 31st December 2021. The investment represents the 15% equity interest in Global Resort and Development Maldives Private Limited (GRDM). The Company has terminated the sublease agreement entered with sublessee in relation to the Naagooshi Island due to the substantial breaches of conditions in the sublease agreement by the sublease.
- Upon cancellation of lease agreement, the Company withdrawn the assets assigned to GRDM and recognized as Investment property at a valuation of USD 9,540,000/-. The valuation of partially built building structures was performed by a professional valuer. The difference between carrying value of the equity investment and fair value of the assets transferred to investment property was recognised on decrease in fair value of the investments in other comprehensive income.

**19 NET INVESTMENT IN SUB LEASES**

|  | 2024<br>USD | 2023<br>USD  |
|--|-------------|--------------|
| Opening Balance                          | 52,491,503  | 74,498,763   |
| Derecognized during the Year (Note 19.1) | -           | (24,387,018) |
| Interest Income for the Year             | 5,227,828   | 6,702,727    |
| Receipts during the Year                 | (4,322,969) | (4,322,969)  |
| Closing Balance                          | 53,396,362  | 52,491,503   |

The net investment in sub leases consists the sub lease of Magduhuva and Kihavah Huruvalhi as at 31<sup>st</sup> December 2024.

| Island Name      | Lease Period           | Lease Term  |
|------------------|------------------------|---|
| Kihavah Island   | 50 years (2006 - 2056) | Lease rental will periodically revised from USD 776,236 per quarter (at the commencement of sublease) to USD 994,447/- per quarter.   |
| Magduhuva Island | 25 years (2006 - 2031) | Lease rental will periodically revised from USD 303,506 per quarter (at the commencement of sublease) to USD 1,221,036/- per quarter. |

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**19 NET INVESTMENT IN SUB LEASES (CONTINUED)**

19.1 The Company has terminated the sublease agreement entered with Global Resorts and Development Maldives Private Limited (sub lessee) in relation to the Naagoashi Island on 26th August 2023 due to the substantial breaches of conditions in the sublease agreement by the sublessee. The net loss of sublease termination has been disclosed in Note 8.1 to the financial statements.

**19.2 Maturity Analysis of Net Investment in Sub Leases**

|                     | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|---------------------|---------------------|---------------------|
| Non - Current Asset | 51,715,843          | 52,491,503          |
| Current Asset       | 1,680,519           | -                   |
|                     | <b>53,396,362</b>   | <b>52,491,503</b>   |

**19.3 Reconciliation of Future Lease Rentals and Net Investment in Sub Leases**

|  |                   |                   |
|--|-------------------|-------------------|
| Undiscounted Lease Rentals (Note 19.4) | 139,693,168       | 144,016,137       |
| Unearned Interest Income               | (86,296,806)      | (91,524,634)      |
|  | <b>53,396,362</b> | <b>52,491,503</b> |

**19.4 Maturity Analysis of undiscounted lease rentals receipts are as follows;**

|                             |                    |                    |
|-----------------------------|--------------------|--------------------|
| Less than one Year          | 6,593,091          | 4,322,969          |
| Between one to two Years    | 7,193,091          | 6,593,091          |
| Between two to three Years  | 7,371,091          | 7,193,091          |
| Between three to four Years | 7,905,091          | 7,371,091          |
| Between four to five Years  | 7,905,091          | 7,905,091          |
| More than five Years        | 102,725,712        | 110,630,803        |
|                             | <b>139,693,168</b> | <b>144,016,137</b> |

**20 Advance Payments to Contractors**

|   | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|---|---------------------|---------------------|
| Advances paid for construction of office building | -                   | 2,000,000           |
|   | <b>-</b>            | <b>2,000,000</b>    |

**21 OTHER RECEIVABLES**

|                   | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|-------------------|---------------------|---------------------|
| Other Receivables | 47,443              | 51,904              |
|                   | <b>47,443</b>       | <b>51,904</b>       |

**22 SHORT-TERM INVESTMENTS**

|                | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|----------------|---------------------|---------------------|
| Fixed Deposits | 2,030,224           | 4,061,231           |
| Treasury Bills | 2,485,071           | -                   |
|                | <b>4,515,295</b>    | <b>4,061,231</b>    |

**23 CASH AND CASH EQUIVALENTS**

|  | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|--|---------------------|---------------------|
| Cash in Hand   | -                   | 196                 |
| Balances with Banks  | 610,270             | 917,558             |
| <b>Cash and bank Balances in the Statement of Financial Position</b> | <b>610,270</b>      | <b>917,754</b>      |
| Bank Overdraft   | (1,365,031)         | -                   |
| <b>Cash and Cash Equivalents in the Statement of Cashflows</b>       | <b>(754,761)</b>    | <b>917,754</b>      |

**24 SHARE CAPITAL**

**24.1 Authorized Share Capital**

The authorized share capital comprises 34,087,354 Ordinary shares of MVR 10 each.

**24.2 Issued Share Capital**

The issued and fully paid share capital comprises 34,087,354 (2023: 34,087,354 ) ordinary shares at a par value of MVR 10 per share (2023: MVR 10/- per share)





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**24 SHARE CAPITAL (CONTINUED)**

**24.3 Share Premium**

Share premium represents the premium realized by issue of shares at a price of MVR 12.85/- and MVR 15.42/- per share above the par value of MVR 10/-

**24.4 Dividend and Voting Rights**

The holders of the ordinary shares are entitled to receive dividend as declared from the time to time and are entitled to one vote per share at the shareholder's meeting of the Company.

The Board of Directors of the Company has declared the dividend amounting to USD 1,326,356/- during the year ended 31st December 2024 (2023 : USD 1,326,356/-).

**24.5 Dividend per share**

|   | 2024<br>USD | 2023<br>USD |
|---|-------------|-------------|
| Dividend declared during the year (USD) | 1,326,356   | 1,326,356   |
| Outstanding Number of Ordinary Shares   | 34,087,354  | 34,087,354  |
| Dividend per share                      | 0.039       | 0.039       |

**25 LEASE LIABILITIES**

|  | 2024<br>USD | 2023<br>USD |
|--|-------------|-------------|
| Opening Balance                                    | 23,165,203  | 25,196,143  |
| Impact on modification during the Year (Note 25.2) | -           | (2,533,741) |
| Interest Expense for the Year (Note 25.3)          | 2,135,002   | 2,284,635   |
| Repayment during the Year (Note 25.7)              | (1,781,835) | (1,781,834) |
| Closing Balance                                    | 23,518,370  | 23,165,203  |

**25.1** The lease liability has been recognized in relation to the following.

- Head lease arrangement of Kihavah, Magudhuva and Naagoashi Islands with the Government of Maldives
- Office building (MATI Building)

| Island/Building Name            | Lease Period           | Lease Term   |
|---------------------------------|------------------------|--|
| Kihavah Island                  | 50 years (2006 - 2056) | Lease rental will periodically revised from USD 366,510 per quarter (at the commencement of headlease) to USD 244,340/- per quarter. |
| Magudhuva Island                | 25 years (2006 - 2031) | USD 187,500 per quarter  |
| Naagoashi Island                | 50 Years (2020 - 2070) | Lease rental will periodically revised from USD 250,000 per quarter (at the commencement of headlease) to USD 267,857/- per quarter. |
| Office building (MATI Building) | 5 Years (2021 - 2025)  | USD 4,540/- per month  |

**25.2** During the year 2023, the Company has obtained 36 months extension for the construction of Resort in Nagoashi Island (with effect from 22<sup>nd</sup> November 2023). And on a result, lease payments were deferred up to 22<sup>nd</sup> November 2026. The lease liability has been modified to reflect these changes and the gain arising from lease modification has been recognized as an income for the year ended 31<sup>st</sup> December 2023.

**25.3 Interest Expenses Recognized in Profit or Loss is as Follows.**

|                                  | 2024<br>USD | 2023<br>USD |
|----------------------------------|-------------|-------------|
| Recognized in Cost of Operations | 2,128,686   | 2,274,409   |
| Recognized in Finance Costs      | 6,316       | 10,226      |
|                                  | 2,135,002   | 2,284,635   |

**25.4 Maturity Analysis**

|                           | 2024<br>USD | 2023<br>USD |
|---------------------------|-------------|-------------|
| Non - Current Liabilities | 22,895,600  | 22,665,531  |
| Current Liabilities       | 622,770     | 499,672     |
|                           | 23,518,370  | 23,165,203  |

**25.5 Maturity Analysis of Undiscounted Future Lease Payments are as Follows:**

|                            | 2024<br>USD | 2023<br>USD |
|----------------------------|-------------|-------------|
| Less than one Year         | 1,781,835   | 1,781,835   |
| Between one and five Years | 9,834,743   | 10,321,058  |
| More than five Years       | 70,821,205  | 72,116,725  |
|                            | 82,437,782  | 84,219,617  |

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**25 LEASE LIABILITIES (CONTINUED)**

| <b>25.6 Amounts Recognized in Profit or Loss</b>          | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|---|---------------------|---------------------|
| Interest on Lease Liabilities                             | 2,135,002           | 2,284,635           |
| Amortization on Right of Use Assets                       | 44,566              | 44,570              |
|   | <b>2,179,568</b>    | <b>2,329,205</b>    |
| <b>25.7 Amounts recognized in statement of cash flows</b> | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
| Lease Payments made during the Year                       | (1,781,835)         | (1,781,834)         |
|   | <b>(1,781,835)</b>  | <b>(1,781,834)</b>  |

**25.8 Extension options**

The leases contain extension options exercisable by the mutual agreement of the Company and the Government of Maldives.

**26 PAYABLES TO GOVERNMENT OF MALDIVES**

|   | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|---|---------------------|---------------------|
| Opening Balance                           | 6,856,822           | 14,091,608          |
| Interest for the Year                     | 305,210             | 447,067             |
| Repayment during the year                 | (221,825)           | -                   |
| Reversal made during the Year (Note 26.2) | -                   | (7,681,853)         |
| Closing Balance                           | <b>6,940,207</b>    | <b>6,856,822</b>    |

**26.1 Maturity Analysis**

|                           | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|---------------------------|---------------------|---------------------|
| Non - Current Liabilities | 6,380,133           | 6,802,904           |
| Current Liabilities       | 560,074             | 53,918              |
|                           | <b>6,940,207</b>    | <b>6,856,822</b>    |

**26.2** The Company has entered in to settlement agreements with the Government of Maldives as follows,

- As per the settlement agreement dated 2nd July 2020, the Company is liable to pay US\$ 2,335,709/- in connection with the lease agreement for Uligamu Island and an amount USD 10,869,896/- in connection with the lease agreement for Ekuhivaru Island.
- Under the settlement agreement dated 15<sup>th</sup> July 2021, the Company is liable to pay US\$ 1,195,818/- in connection with the lease agreement for Kihavah Island.

The Company has revised the aforementioned payable balance relating to Uligamu Island and Ekuhivaru Island in accordance with Regulation Number R-33/2022 (Tourism Land Rent Regulation) issued by the Ministry of Tourism. Consequently, the revised payable balance related to Uligamu Island and Ekuhivaru Island as at 31st December 2023 is USD 6,940,207/-. Further, on 27th June 2023, the Company has entered into first addendum to the amended and restated settlement agreement with Government of Maldives for revised payable balance recorded as at 31st December 2023 in relation to the Uligamu Island and Ekuhivaru Island. As per the settlement agreement, the Company is liable to pay USD 217,438.57/- per quarter for a period of 10 years starting from 1st quarter of 2025. The re-assessment together with the first amendment resulted recognition of an income of USD 7,681,853/- in the statement of profit or loss and other comprehensive income for the year ended 31st December 2023.





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**27 TRADE AND OTHER PAYABLES**

|                  | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|------------------|---------------------|---------------------|
| Trade Payables   | 35,885              | 12,601              |
| Dividend Payable | 4,352,485           | 3,890,936           |
| Other Payables   | 229,168             | 38,729              |
|                  | <b>4,617,538</b>    | <b>3,942,266</b>    |

**28 TAX RECEIVABLE**

|                                   | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|-----------------------------------|---------------------|---------------------|
| Opening Balance                   | (95,665)            | 1,246,686           |
| Income Tax Provision for the Year | 245,660             | 43,554              |
| Payments made during the Year     | (304,994)           | (1,385,905)         |
| Closing Balance                   | <b>(154,999)</b>    | <b>(95,665)</b>     |

**29 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

**Financial Instruments Risk Management Objectives and Policies**

**(i) Overview**

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

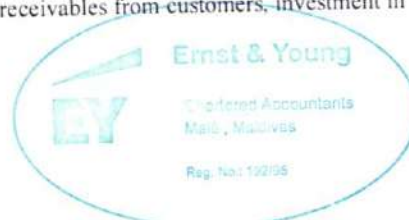
**(ii) Risk Management Framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has established the risk management committee, which is responsible for developing and monitoring the company's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management frameworks in relation to the risks faced by the Company. The Company audit committee is assisted in its oversight role in internal audit, internal Audit undertaken both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**(iii) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instruments fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investment in debt securities and deposits with banks.



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**29 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)**

**Financial Instruments Risk Management Objectives and Policies (Continued)**

**(iii) Credit risk (Continued)**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

|                              | Carrying Amount   |                   |
|------------------------------|-------------------|-------------------|
|                              | 2024              | 2023              |
|                              | USD               | USD               |
| Net Investment in Sub Leases | 53,396,362        | 52,491,503        |
| Other Receivables            | 47,443            | 51,904            |
| Short Term Investments       | 4,515,295         | 4,061,231         |
| Balances with Banks          | 610,270           | 917,558           |
|                              | <b>58,569,370</b> | <b>57,522,196</b> |

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. There is no concentration of credit risk geographically.

The Company believes that the unimpaired amounts are still collectible, based on historic payment behavior. Based on historic default rates, the Company believes that, apart from the above, no provision for impairment is necessary in respect of trade and other receivables.

**Cash & Cash Equivalents**

The Company held cash at the bank including fixed deposits and short term treasury bills amounting to USD 5,125,564/- as at 31st December 2024 (2023: USD 4,978,789/-). The Company limits its exposure to credit risk by maintaining its cash balances in selected banks. The Company has not recognized any allowance for impairment for the bank balance based on the materiality ground.

**(iv) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

| Financial Liabilities (Non- Derivative) |  | Carrying Amount   | Contractual Cash flow | Within 1 Year     | 1-5 Years         | After 5 Year      |
|---|--|-------------------|-----------------------|-------------------|-------------------|-------------------|
|   |  | USD               | USD                   | USD               | USD               | USD               |
| <b>31<sup>st</sup> December 2024</b>    |  |                   |                       |                   |                   |                   |
| Lease Liabilities                       |  | 23,518,370        | 82,437,782            | 1,349,995         | 10,266,583        | 70,821,205        |
| Payables to the Government of Maldives  |  | 6,940,207         | 8,697,543             | 869,754           | 3,479,017         | 4,348,771         |
| Trade and Other Payables                |  | 4,613,825         | 4,613,825             | 4,613,825         | -                 | -                 |
|   |  | <b>35,072,402</b> | <b>95,749,150</b>     | <b>6,833,574</b>  | <b>13,745,600</b> | <b>75,169,976</b> |
| Financial Liabilities (Non- Derivative) |  | Carrying Amount   | Contractual Cash flow | Within 1 Year     | 1-5 Years         | After 5 Year      |
|   |  | USD               | USD                   | USD               | USD               | USD               |
| <b>31<sup>st</sup> December 2023</b>    |  |                   |                       |                   |                   |                   |
| Lease Liabilities                       |  | 23,165,203        | 84,219,617            | 1,781,835         | 10,321,058        | 72,116,725        |
| Payables to the Government of Maldives  |  | 6,856,822         | 6,856,822             | 6,856,822         | -                 | -                 |
| Trade and Other Payables                |  | 3,942,266         | 3,942,266             | 3,942,266         | -                 | -                 |
|   |  | <b>33,964,291</b> | <b>95,018,705</b>     | <b>12,580,923</b> | <b>10,321,058</b> | <b>72,116,725</b> |

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.





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**29 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)**

**(v) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**(a) Interest Rate Risk**

**Profile**

The Company was not exposed to interest rate risk since the Company did not possess any liabilities or assets negotiated at variable interest rates.

**(b) Currency Risk**

**Exposure to currency risk**

The Company's exposure to foreign currency risk was as follows based on notional amounts:

|  | <b>2024<br/>MVR</b> | <b>2023<br/>MVR</b> |
|--|---------------------|---------------------|
| Cash and Cash Equivalents                    | 1,421,462           | 7,831,926           |
| Net statement of financial position exposure | <u>1,421,462</u>    | <u>7,831,926</u>    |

The following significant exchange rates applied during the year:

|                         | <b>Average Rate</b> |              | <b>Reporting Date Spot Rate</b> |                     |
|-------------------------|---------------------|--------------|---------------------------------|---------------------|
|                         | <b>2024</b>         | <b>2023</b>  | <b>2024<br/>USD</b>             | <b>2023<br/>USD</b> |
| Maldivian Rufiyaa (MVR) | <u>15.42</u>        | <u>15.42</u> | <u>15.42</u>                    | <u>15.42</u>        |

In respect of the monetary assets and liabilities denominated in USD, the Company has a limited currency risk exposure on such balances since the Maldivian Rufiyaa is pegged to the US Dollar within a band to fluctuate within  $\pm$  20% of the mid-point of exchange rate.

**30 RELATED PARTY TRANSACTIONS**

The Government of Maldives is the shareholder for 46% of the issued shares of the Company as at the end of the reporting period. The transactions with the Government of the Maldives included lease rentals paid for the islands obtained on lease term by the Company. The transactions with the Government of Maldives during the year and outstanding balances as at the end of the reporting period are as follows:

**Transactions with the Government of the Maldives :**

|                     | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|---------------------|---------------------|---------------------|
| Head Lease Payments | 1,727,360           | 1,781,834           |
| Dividend Payments   | <u>609,303</u>      | <u>1,218,605</u>    |

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**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**31 FAIR VALUE MEASUREMENT**

**Accounting Classifications and Fair Values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It doesn't include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts is a reasonable approximation of fair value.

**31<sup>st</sup> December 2024**

| Financial assets not measured at fair value | Financial Assets at Amortized Cost<br>USD | Fair Value     |                |                   |                   |
|---|---|----------------|----------------|-------------------|-------------------|
|   |   | Level 1<br>USD | Level 2<br>USD | Level 3<br>USD    | Total<br>USD      |
| Net Investment in Subleases                 | 53,396,362                                | -              | -              | 53,396,362        | 53,396,362        |
| Short Term Investments                      | 4,515,295                                 | -              | -              | 4,515,295         | 4,515,295         |
| Cash and Cash Equivalents                   | 610,270                                   | -              | -              | -                 | -                 |
| Other Receivables                           | 47,443                                    | -              | -              | -                 | -                 |
|   | <u>58,569,370</u>                         | <u>-</u>       | <u>-</u>       | <u>57,911,657</u> | <u>57,911,657</u> |

| Financial liabilities not measured at fair value | Other Financial Liabilities<br>USD | Fair Value     |                |                   |                   |
|--|------------------------------------|----------------|----------------|-------------------|-------------------|
|  |                                    | Level 1<br>USD | Level 2<br>USD | Level 3<br>USD    | Total<br>USD      |
| Lease Liabilities                                | 23,518,370                         | -              | -              | 23,518,370        | 23,518,370        |
| Payables to the Government of Maldives           | 6,940,207                          | -              | -              | 6,940,207         | 6,940,207         |
| Trade and Other Payables                         | 4,613,825                          | -              | -              | -                 | -                 |
|  | <u>35,072,402</u>                  | <u>-</u>       | <u>-</u>       | <u>30,458,577</u> | <u>30,458,577</u> |

**31<sup>st</sup> December 2023**

| Financial assets not measured at fair value | Financial Assets at Amortized Cost<br>USD | Financial Assets at FVOCT<br>USD | Fair Value     |                |                   |                   |
|---|---|----------------------------------|----------------|----------------|-------------------|-------------------|
|   |   |                                  | Level 1<br>USD | Level 2<br>USD | Level 3<br>USD    | Total<br>USD      |
| Net Investment in Subleases                 | 52,491,503                                | -                                | -              | -              | 52,491,503        | 52,491,503        |
| Short Term Investments                      | 4,061,231                                 | -                                | -              | -              | 4,061,231         | 4,061,231         |
| Cash and Cash Equivalents                   | 917,754                                   | -                                | -              | -              | -                 | -                 |
| Other Receivables                           | 51,904                                    | -                                | -              | -              | -                 | -                 |
|   | <u>57,522,392</u>                         | <u>-</u>                         | <u>-</u>       | <u>-</u>       | <u>56,552,734</u> | <u>56,552,734</u> |

| Financial liabilities not measured at fair value | Other Financial Liabilities<br>USD | Fair Value     |                |                   |                   |
|--|------------------------------------|----------------|----------------|-------------------|-------------------|
|  |                                    | Level 1<br>USD | Level 2<br>USD | Level 3<br>USD    | Total<br>USD      |
| Lease Liabilities                                | 23,165,203                         | -              | -              | 23,165,203        | 23,165,203        |
| Payables to the Government of Maldives           | 6,856,822                          | -              | -              | 6,856,822         | 6,856,822         |
| Trade and Other Payables                         | 3,942,266                          | -              | -              | -                 | -                 |
|  | <u>33,964,291</u>                  | <u>-</u>       | <u>-</u>       | <u>30,022,025</u> | <u>30,022,025</u> |





**MALDIVES TOURISM DEVELOPMENT CORPORATION PLC  
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**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**32 COMMITMENTS AND CONTINGENT LIABILITIES**

**32.1 Capital Commitments**

There were no material capital commitments approved or contracted as at the reporting date.

**32.2 Contingent Liabilities**

There were no contingent liabilities as at 31st December 2024.

**33 CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company's debt to adjusted equity ratio was as follows.

|                                 | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|---------------------------------|---------------------|---------------------|
| Total Liabilities               | 37,328,553          | 34,864,861          |
| Less: Cash and Cash Equivalents | (610,270)           | (917,754)           |
| Net Debt                        | 36,718,283          | 33,947,107          |
| Total Equity                    | 52,694,515          | 52,098,079          |
| <b>Net debt to equity ratio</b> | <b>0.70</b>         | <b>0.65</b>         |

**34 EVENTS SUBSEQUENT TO THE REPORTING DATE**

No circumstances have arisen since reporting date which require adjustments to / or disclosure in the financial statements other than disclosed above.

**35 DIRECTORS' RESPONSIBILITY**

The Board of Directors of the Company is responsible for the preparation and presentation of these financial statements.

**36 TRANSACTIONS WITH THE KEY MANAGEMENT PERSONNEL**

The Board of Directors of the Company are the members of the key management personnel. The Company has made USD 102,050/- payments to the key management personnel during the year ended 31st December 2024 (2023 : USD 101,040/-).

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**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**37 RECLASSIFICATION**

The Company had presented the advance amount of USD 2,000,000 paid to the contractor and USD 323,000 paid to Dhivehi Insurance as a payment guarantee fee as a current asset under other receivables. These have been paid in relation to the Office building being constructed on K. Hulhumale'. The advance paid to contractor has been reclassified to non current assets as Advance Payments to Contractors and the guarantee fee has been included under Property, Plant and Equipment - Construction Work in Progress.

The following amounts reported in the previous year's financial statements have been reclassified in order to be consistent with the current year's presentation.

|  | As previously<br>reported in 2023 | Reclassification | As reclassified |
|--|-----------------------------------|------------------|-----------------|
|  | USD                               | USD              | USD             |
| <b>Statement of Financial Position</b> |                                   |                  |                 |
| <b>Non-Current Assets</b>              |                                   |                  |                 |
| Property, Plant and Equipment (CWIP)   | 1,761,950                         | 323,000          | 2,084,950       |
| Advance Payments to Contractors        | -                                 | 2,000,000        | 2,000,000       |
| <b>Current Assets</b>                  |                                   |                  |                 |
| Other Receivables                      | 2,374,904                         | (2,323,000)      | 51,904          |

**38 RESTATEMENT OF COMPARATIVES INFORMATION**

The Company has an equity investment in Global Research and Development Maldives Private Limited (GRPL) that has been accounted for at Fair Value through Other Comprehensive Income (FVOCI). As described in Note 17, on 26 August 2023 the Company terminated its sublease agreement with GRPL (sublessee) for Naagoashi Island. As a result, there was a fair value loss of USD 11,102,500 relating to the FVOCI equity investment that had been erroneously recognised in profit as a provision for impairment.

The error has been corrected by restating each of the affected financial statement line items for the prior year, as follows

| Impact on Statement of Profit or Loss                                       | 31-Dec-23                        |                    |                    |
|---|----------------------------------|--------------------|--------------------|
|   | As previously<br>reported<br>USD | Adjustment<br>USD  | As restated<br>USD |
| Net loss on lease modification and derecognition                            | 2,732,642                        | 9,540,000          | 12,272,642         |
| Provision for impairment of investment in equity shares                     | 11,102,500                       | (11,102,500)       | -                  |
| <b>Net impact on profit for the year</b>                                    | <b>13,835,142</b>                | <b>(1,562,500)</b> | <b>12,272,642</b>  |
| <b>Impact on Statement of Profit or Loss and Other Comprehensive Income</b> |                                  |                    |                    |
|   | 31-Dec-23                        |                    |                    |
|   | As previously<br>reported<br>USD | Adjustment<br>USD  | As restated<br>USD |
| Fair value loss on Equity Investment at FVOCI                               | -                                | 1,562,500          | 1,562,500          |
| <b>Net impact on OCI for the year</b>                                       | <b>-</b>                         | <b>1,562,500</b>   | <b>1,562,500</b>   |
| <b>Net impact on comprehensive income for the year</b>                      | <b>13,835,142</b>                | <b>-</b>           | <b>13,835,142</b>  |
| <b>Impact to the earning per share</b>                                      |                                  |                    |                    |
|   | 31-Dec-23                        |                    |                    |
|   | As previously<br>reported<br>USD | Adjustment<br>USD  | As restated<br>USD |
| Earning per share   | 0.074                            | 0.016              | 0.090              |

The Company has not determined fair value of investment in Equity Investments at FVOCI each year due to the lack of information. Accordingly, it is impracticable to retrospectively restate amounts in other comprehensive income as attributable to periods prior to the year ended 31 December 2023.





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