

**THIRD QUARTER REPORT
JULY TO SEPTEMBER
2016**

MTDC

1. Corporate Information

Name of the Company

Maldives Tourism Development Corporation Plc

Registered Address

First Floor, G. Fathuruvehi
Buruzu Magu, Male' 20124
Republic of Maldives

Contact Details

Phone: + 960 334 7766
Fax: + 960 334 7733
Email: info@mtdc.com.mv
URL: www.mtdc.com.mv

Company Registration Number

C - 280/2006

Legal Form

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

Stock Exchange listing

Ordinary Shares listed on the Maldives Stock Exchange.

Board of Directors (as at 30th September 2016)

Name	Position	Representation
Ms. Ibthishama Ahmed Saeed	Chairperson	Non Executive
Mr. Abdulla Shujau	Managing Director	Executive
Mr. Ahmed Niyaz	Deputy Managing Director	Executive
Mr. Abdulla Nisam	Director	Non Executive
Mr. Arif Abdul Samad	Director	Non Executive
Mr. Mohamed Farshath	Director	Non Executive
Mr. Ali Nishan	Director	Non Executive
Ms. Fazlee Abdul Wahaab	Director	Non Executive
Mr. Ali Moosa	Director	Non Executive

Audit & Risk Management Committee Members (as at 30th September 2016)

Name	Position	Representation
Mr. Abdulla Nisam	Director	Non Executive
Mr. Ali Nishan	Director	Non Executive
Mr. Mohamed Farshath	Director	Non Executive

Nomination and Remuneration Committee Members (as at 30th September 2016)

Name	Position	Representation
Mr. Arif Abdul Samad	Director	Non Executive
Mr. Ali Moosa	Director	Non Executive
Mr. Abdulla Nisam	Director	Non Executive

Corporate Governance and Compliance Committee Members (as at 30th September 2016)

Name	Position	Representation
Mr. Mohamed Farshath	Director	Non Executive
Ms. Fazlee Abdul Wahhab	Director	Non Executive
Mr. Arif Abdul Samad	Director	Non Executive

There were no changes to the board in this quarter.

Company Secretary

Ms. Mariyam Leena Ali

Appointed Auditors of the Company

Ernst & Young
G.Shafag, 2nd Floor
Male, Maldives

Details of any subsidiary, joint venture & associate companies**Company Name**

ENA Hotel Holding Company Pvt. Ltd
2nd floor, H. Aage,
Boduthakurufaanu Magu,
Male', Maldives

Ownership Nature

Joint Venture

% of MTDC Ownership

20%

2. About MTDC**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.

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 maximize 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.

The core business of MTDC is coined in its mission statement without reference to any specific industry. Rather, it embraces and empowers MTDC to pursue the development of diverse investments.

Core Purpose

The Core Purpose of MTDC is to give every Maldivian the chance to invest in things that will be rewarding. Armed with this conviction every staff of MTDC come to work every morning, and engages in dialogue with other counterparts. It is this belief that sparks debates and contests, and at the end of the day every staff wins out with a smile of reassurance that the Core Purpose of why they come to work every day will never be compromised.

Core Values

The Core Values of MTDC which are vehemently held on by all staff and executives alike, which form the foundation on which the company conducts its business, are:-

- Protecting the interest of shareholders at all times
- Being open minded and transparent
- Challenging the status-quo
- Caring, respecting and recognizing individual ability
- Being candid as a way of life

Business Principles and Strategies

- Create an above market average dividend yield for shareholders to allow them to access the direct benefit of tourism quickly.
- Ensure that dividend policy and plans are sustainable in the long term while allowing for gradual growth.
- Build the organization around principles of getting the benefits of centralized knowledge flow and the efficiencies of decentralized operations.
- Monitor the market forces effectively to grasp changes in the market beforehand to create competitive advantages.
- Strategize business and asset development to diversify the risks related to the business.
- Diversify into horizontal unrelated markets to shelter the Company from any potential disasters in the industry.
- Diversify horizontally and vertically into related industries to attain higher efficiencies and reduce the cost of operation of core business.
- Create and sustain a knowledge based workforce with an innovation inductive environment to attain higher efficiencies.
- Challenge the norms of the industry to attain higher benefit both economically and socially.
- Always strive to attain the highest ethical standards in governance of the Company.
- Conform to the Corporate Governance Code of CMDA and listing rules and other relevant laws and regulations of Maldives.

3. Highlights of Major Business Activities

Status of Ongoing Resort Development Projects As of 30th September 2016

EKULHIVARU

Location: Noonu Atoll

Development Mode: Joint venture Partnership between MTDC and Ritz Carlton Group

Details: Deluxe, 180 beds

Status: Lease Agreement terminated on May 2016

KIHAVAH HURAVALHI

Location: Baa Atoll

Development Mode: Sublease model

Details: 5-star deluxe

Status: Under Operation from December 2010 onwards as Anantara Kihavah Villas

MAGUDHUVAA – Ayada Maldives

Location: Gaafu Dhaalu Atoll

Development Mode: Sublease model

Available Details: 5-star

Status: Under Operation from November 2011 onwards as Ayada Maldives

NAAGOASHI

Location: Haa Dhaalu Atoll

Development Mode: Sublease model

Details: 5-star

Expected date of completion: 2017

Status: Under development, 40% complete

EMBUDHUFUSHI AND OLHUVELI

Location: Dhaalu Atoll

Status: Under Operation from March 2012 onwards as Niyama Maldives, and Lease transferred to O Plus E Holdings in September 2016

Development Mode: Sublease model

Details: 5-star deluxe

4. Employment Data

Number of Staff: 12 Employees

5. Board Related Details

Four board meetings were held during the 3rd quarter of 2016 and the Board of Directors discussed and resolved strategic issues of the company related to;

- Issues related to MTDC sublease islands.
- Discussion on new Business Strategy.
- Business and legal issues as well as issues related to MTDC properties

6. Share Trading History

Market Highlights

- ❖ Highest Traded Price - MVR 10
- ❖ Lowest Traded Price - MVR 10
- ❖ Market Capitalization – MVR 340,873,540
- ❖ Weighted Average Traded price : MVR 10
- ❖ Price Earnings Ratio – 7.79 times
- ❖ Last traded Price : MVR 10
- ❖ Dividend yield - N/A

7. Corporate Governance Compliance

MTDC strives to adhere to the highest principles of Corporate Governance Code of the CMDA by establishing standards and systems that promotes transparency, accountability, integrity and fairness at all levels and in all spheres of its operations.

Relevant information on company business operations had been provided to shareholders on a timely basis via media.

All fees and taxes had been paid to date to relevant authorities in compliance with the Companies Act as well as other relevant regulations and acts.

The 3rd quarter report of MTDC is compiled with the relevant information to ensure that MTDC meets with the minimum quarterly reporting requirements / standards for public listed companies.

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC
INTERIM FINANCIAL STATEMENTS
QUARTER ENDED
30 SEPTEMBER 2016

MALDIVES TOURISM DEVELOPMENT CORPORATION

Provisional Financial Statements

STATEMENT OF COMPREHENSIVE INCOME

For the Period ended	Note	30-Sep-16 US\$	30-Jun-16 US\$
Revenue		1,094,785	3,438,129
Cost of Sales		(585,956)	(999,706)
Gross Profit		508,829	2,438,424
Other Income		101,383	-
Gain or (loss) on disposal of Financial Asset		4,671,694	
Administrative Expenses		(2,442,684)	(214,404)
Results from Operating Activities		2,839,221	2,224,020
Net Finance Income / (Costs)		-	-
Profit / (Loss) Before Tax		2,839,221	2,224,020
Tax (Expense)/credit		-	-
Profit / (Loss) for the period		2,839,221	2,224,020
Basic Earnings / (Loss) Per Share		0.08	0.07

Figures in brackets indicate deductions.

Note: The above figures are subject to audit. The provisional financial statements have been prepared on the basis of same accounting policies and methods applied for the year ended 31 December 2015.

30th October 2016

MALDIVES TOURISM DEVELOPMENT CORPORATION

Provisional Financial Statements

STATEMENT OF FINANCIAL POSITION

ASSETS	Note	As at 30-Sep-16 US\$	As at 30-Jun-16 US\$
Non-Current Assets			
Property, Plant and Equipment		134,864	125,467
Lease rent equalization - Sub lease		59,597,428	76,968,852
Total Non-Current Assets		<u>59,732,292</u>	<u>77,094,319</u>
Current Assets			
Trade and Other Receivables		7,955,004	9,041,048
Cash and Cash Equivalents		4,438,184	3,753,554
Total Current Assets		<u>12,393,188</u>	<u>12,794,601</u>
Total Assets		<u>72,125,480</u>	<u>89,888,920</u>
EQUITY AND LIABILITIES			
Equity			
Share Capital		26,183,719	26,183,719
Share Premium		607,415	607,415
Retained Earnings		(4,562,968)	(7,402,189)
Total Equity		<u>22,228,166</u>	<u>19,388,945</u>
Non-Current Liabilities			
Deferred Tax Liabilities		(692,086)	(692,086)
Lease rent equalization - Head Lease		3,616,889	3,702,090
Sub Lease Advances		20,153,951	31,490,828
Total Non-Current Liabilities		<u>23,078,754</u>	<u>34,500,831</u>
Current Liabilities			
Trade and Other Payables		26,818,560	35,999,144
Total Current Liabilities		<u>26,818,560</u>	<u>35,999,144</u>
Total Liabilities		<u>49,897,314</u>	<u>70,499,975</u>
Total Equity and Liabilities		<u>72,125,480</u>	<u>89,888,920</u>

Figures in brackets indicate deductions.

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30th October 2016

MALDIVES TOURISM DEVELOPMENT CORPORATION

Provisional Financial Statements

STATEMENT OF CASH FLOW**FOR THE PERIOD ENDED**

Note	Period 30-Sep-16 US\$	Period 30-Jun-16 US\$
Cash Flows From Operating Activities		
Profit / (Loss) Before Tax	2,839,221	2,224,020
Adjustments for:		
Depreciation for the period	911	793
Reclassification to Comprehensive Income		
Change in Trade and Other Receivables	18,457,470	(1,464,487)
Change in Trade and Other Payables	(20,602,662)	(958,772)
Cash Generated from/(Used in) Operating Activities	694,940	(198,446)
Interest Paid	-	-
Net Cash Generated from/(Used in) Operating Activities	694,940	(198,446)
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(10,308)	(1,712)
Net Cash used in Investing Activities	(10,308)	(1,712)
Cash Flows from Financing Activities		
Net Cash flows Used in Financing Activities	-	-
Net Decrease in Cash and Cash Equivalents	684,632	(200,158)
Cash and Cash Equivalents at the beginning of the year	3,753,552	3,953,710
Cash and Cash Equivalents at the end of the year	4,438,184	3,753,552

Figures in brackets indicate deductions.

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30th October 2016

Abdulla Shujau

Managing Director

