

**THIRD QUARTER REPORT  
JULY TO SEPTEMBER  
2018**

**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 30<sup>th</sup> September 2018)

**Note:** During the 3rd Quarter of 2018, there were no changes in the Board.

Name	Position	Representation
Mr. Ali Nishan	Chairman	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
Ms. Fazly Abdul Wahaab	Director	Non Executive
Ms. Ameena Mohamed	Director	Non Executive
Ms. Aishath Fazeena	Director	Non Executive
Mr. Abdulla Saeed	Director	Non Executive

### Audit & Risk Management Committee Members

Name	Position	Representation
Mr. Abdulla Nisam	Director	Non Executive
Ms. Aishath Fazeena	Director	Non Executive
Mr. Abdulla Saeed	Director	Non Executive
Mr. Arif Abdul Samad	Director	Non Executive

#### **Nomination and Remuneration Committee Members**

<b>Name</b>	<b>Position</b>	<b>Representation</b>
Mr. Arif Abdul Samad	Director	Non Executive
Mr. Abdulla Nisam	Director	Non Executive
Ms. Ameena Mohamed	Director	Non Executive
Ms. Fazly Abdul Wahaab	Director	Non Executive

#### **Corporate Governance and Compliance Committee Members**

<b>Name</b>	<b>Position</b>	<b>Representation</b>
Ms. Fazly Abdul Wahaab	Director	Non Executive
Ms. Ameena Mohamed	Director	Non Executive
Ms. Aishath Fazeena	Director	Non Executive
Mr. Abdulla Saeed	Director	Non Executive

#### **Company Secretary**

Ms. Mariyam Leena Ali

#### **Appointed Auditors of the Company**

Ernst & Young  
G.Shafag, 2<sup>nd</sup> Floor  
Male, Maldives

#### **Details of any subsidiary, joint venture & associate companies**

##### **Company Name**

ENA Hotel Holding Company Pvt. Ltd  
2<sup>nd</sup> floor, H. Aage,  
Bodu thakurufaanu 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 30<sup>th</sup> September 2018

##### **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

### 4. Employment Data

Number of Staff: 13 Employees

### 5. Board Related Details

One Non Executive Directors meeting and two board meetings were held during the 3<sup>rd</sup> Quarter of 2018 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 – 45.09 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 3<sup>rd</sup> Quarter of 2018 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 2018**

**MALDIVES TOURISM DEVELOPMENT CORPORATION**

Provisional Financial Statements

**STATEMENT OF COMPREHENSIVE INCOME**

<b>For the Period ended</b>	<b>Note</b>	<b>30-Sep-18 US\$</b>	<b>30-Jun-18 US\$</b>
Revenue		1,254,971	1,107,107
Cost of Sales		<u>(475,679)</u>	<u>(475,679)</u>
Gross Profit		779,292	631,428
Administrative Expenses		<u>(238,154)</u>	<u>(200,097)</u>
<b>Results from Operating Activities</b>		541,138	431,330
Net Finance Income / (Costs)		<u>-</u>	<u>-</u>
Profit / (Loss) Before Tax		541,138	431,330
Tax (Expense)/credit		<u>(58,984)</u>	<u>(63,484)</u>
<b>Profit / (Loss) for the period</b>		<u><u>482,154</u></u>	<u><u>367,847</u></u>
Basic Earnings / (Loss) Per Share		0.01	0.01

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 2017.

29<sup>th</sup> October 2018



**MALDIVES TOURISM DEVELOPMENT CORPORATION**

Provisional Financial Statements

**STATEMENT OF FINANCIAL POSITION**

<b>ASSETS</b>	<b>Note</b>	<b>As at 30-Sep-18</b>	<b>As at 30-Jun-18</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment		43,581	46,042
Lease rent equalization - Sub lease		24,379,051	24,274,978
<b>Total Non-Current Assets</b>		<b>24,422,632</b>	<b>24,321,021</b>
<b>Current Assets</b>			
Amount due from related parties		-	-
Asset held for Sale		20,000,000	20,000,000
Business profit tax refund		225,003	283,988
Trade and Other Receivables		46,729	88,760
Cash and Cash Equivalents		2,188,512	1,930,644
<b>Total Current Assets</b>		<b>22,460,244</b>	<b>22,303,392</b>
<b>Total Assets</b>		<b>46,882,877</b>	<b>46,624,412</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		(5,286,322)	(5,768,476)
<b>Total Equity</b>		<b>21,504,812</b>	<b>21,022,658</b>
<b>Non-Current Liabilities</b>			
Lease rent equalization - Head Lease		1,170,426	1,189,087
Sub Lease Advances		10,827,871	11,046,474
Deferred Tax Liability		1,691	1,691
<b>Total Non-Current Liabilities</b>		<b>11,999,988</b>	<b>12,237,253</b>
<b>Current Liabilities</b>			
Trade and Other Payables		13,378,077	13,364,502
<b>Total Current Liabilities</b>		<b>13,378,077</b>	<b>13,364,502</b>
<b>Total Liabilities</b>		<b>25,378,065</b>	<b>25,601,754</b>
<b>Total Equity and Liabilities</b>		<b>46,882,877</b>	<b>46,624,412</b>

Figures in brackets indicate deductions.

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29<sup>th</sup> October 2018

## MALDIVES TOURISM DEVELOPMENT CORPORATION

Provisional Financial Statements

### STATEMENT OF CAHS FLOW

#### FOR THE PERIOD ENDED

	Period 30-Sep-18	Period 30-Jun-18
Note	US\$	US\$
<b>Cash Flows From Operating Activities</b>		
Profit / (Loss) Before Tax	541,138	431,330
Adjustments for:		
Depreciation for the period	2,461	1,775
<b>Reclassification to Comprehensive Income</b>		
Change in Trade and Other Receivables	(62,042)	(97,879)
Change in Trade and Other Payables	(223,689)	(339,940)
Cash Generated from/(Used in) Operating Activities	257,868	(4,713)
Interest Paid	-	-
Tax Paid	-	-
<b>Net Cash Generated from/(Used in) Operating Activities</b>	<b>257,868</b>	<b>(4,713)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase / (Disposal) of Property, Plant and Equipment	-	(14,475)
<b>Net Cash used in Investing Activities</b>	<b>-</b>	<b>(14,475)</b>
<b>Cash Flows from Financing Activities</b>		
Repayment of Loans and Borrowings	-	-
<b>Net Cash flows Used in Financing Activities</b>	<b>-</b>	<b>-</b>
Net Decrease in Cash and Cash Equivalents	257,868	(19,188)
Cash and Cash Equivalents at the beginning of the period	1,930,644	1,949,832
<b>Cash and Cash Equivalents at the end of the period</b>	<b>2,188,512</b>	<b>1,930,644</b>

Figures in brackets indicate deductions.

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29<sup>th</sup> October 2018

Abdulla Shujau

Managing Director