

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

**FOURTH QUARTER REPORT
OCTOBER TO DECEMBER
2020**

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

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

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

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 31st December 2020)

Note: During the 4th Quarter of 2020, there were no changes in the board.

Name	Position	Representation
Mr. Abdulla Faiz	Chairman (from 6 th February 2019)	Non Executive
Mr. Thazmeel Abdul Samad	Managing Director (from 24 th January 2019)	Executive
Mr. Ahmed Niyaz	Deputy Managing Director (from 29 th August 2019)	Executive
Ms. Aishath Fazeena	Director (from 29 th August 2019)	Non Executive
Mr. Mohamed Janah	Director (from 6 th February 2019)	Non Executive
Mr. Mohamed Fathih	Director (from 6 th February 2019)	Non Executive
Mr. Ibrahim Latheef	Director (from 29 th August 2019)	Executive
Ms. Asamy Rushdy	Director (from 29 th August 2019)	Non Executive
Mr. Ahmed Mujuthaba	Director (from 29 th August 2019)	Non Executive

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

Audit & Risk Management Committee Members

Name	Position	Representation
Ms. Aishath Fazeena	Director (from 20 th September 2020)	Non-Executive
Mr. Mohamed Janah	Director (from 20 th September 2020)	Non Executive
Mr. Ahmed Mujuthaba	Director (from 20 th September 2020)	Non Executive

Nomination and Remuneration Committee Members

Name	Position	Representation
Ms. Aishath Fazeena	Non Executive	
Mr. Mohamed Fathih	Non Executive	
Ms. Asamy Rushdy	Non Executive	

Corporate Governance and Compliance Committee Members

Name	Position	Representation
Ms. Asamy Rushdy	Director	Non Executive
Mr. Ahmed Mujuthaba	Director	Non Executive
Mr. Mohamed Fathih	Director	Non Executive

Company Secretary

Ms. Mariyam Leena Ali

Appointed Auditors of the Company

KPMG,

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

H.Mialani, 2nd Floor
Male, Maldives

Details of any subsidiary, joint venture & associate companies

Company Name

ENA Hotel Holding Company Pvt. Ltd
2nd 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.

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

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

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

Status of Ongoing Resort Development Projects As of 31st December 2020

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: 16 Employees

5. Board Related Details

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

One Non Executive Directors meeting and three board meetings were held during the 4th Quarter of 2020 and the Board of Directors discussed and resolved strategic issues of the company related to;

- Issues related to MTDC sublease islands.
- Business and legal issues as well as issues related to MTDC properties

6. Share Trading History

Market Highlights

- ❖ Highest Traded Price - MVR 0
- ❖ Lowest Traded Price - MVR 0
- ❖ Market Capitalization - MVR 340,873,540
- ❖ Weighted Average Traded price: MVR 0
- ❖ Price Earnings Ratio - 2.37 times
- ❖ Last traded Price: MVR 0
- ❖ Dividend yield – 5%
- ❖ Number of trades under the statistics - 0
- ❖ Volume of trades under the statistics - 0
- ❖ Value of trades under the statistics - 0

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 4th quarter report of 2020 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

FINACIAL HIGHLIGHTS OF THIS QUARTER

TOTAL REVENUE

USD 945,719

TOTAL EXPENSES

USD 1,204,938

TOTAL OTHER GAINS

USD 1,355,582

EARNING PER SHARE

0.3

NET ASSET PER SHARE

2.22

CASHFLOW PER SHARE

0.02

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

INTERIM FINANCIAL STATEMENT

QUARTER ENDED

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

STATEMENT OF COMPREHENSIVE INCOME Unaudited Financial Statements (USD) For the periods

	31-Dec-20	30-Sep-20	30-Jun-20	31-Mar-20	Year 2020	Year 2019
	945,719	881,576	890,620	899,474	3,617,389	3,682,785
Revenue	(687,586)	(298,987)	(303,080)	(307,088)	(1,596,742)	(1,266,772)
Cost of Operations	258,132	582,589	587,539	592,386	2,020,647	2,416,013
Gross Profit	-	-	-	-	-	403,995
Other Income	(406,022)	(204,150)	(130,049)	(246,922)	(987,144)	(857,377)
Administrative Expenses	1,314,377	-	-	-	1,314,377	-
Gain or (loss) on Lease liability	(111,330)	(111,330)	(111,330)	(111,330)	(445,318)	(445,318)
Provision for Impairment on Lease Rental Receivables	1,055,157	267,110	346,160	234,134	1,902,562	1,517,313
Results from Operating Activities	41,205	47,386	46,871	47,386	182,849	19,058
Finance Income	41,205	47,386	46,871	47,386	182,849	19,058
Net Finance Income / (Costs)	1,096,363	314,496	393,032	281,521	2,085,411	1,536,371
Profit / (Loss) Before Tax	(163,611)	(45,958)	(57,739)	(41,012)	(308,320)	(297,446)
Tax (Expense)/credit	932,751	268,538	335,293	240,509	1,777,091	1,238,925
Profit / (Loss) for the period	0.027	0.008	0.010	0.007	0.052	0.036

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

Basic Earnings / (Loss) Per Share

Figures in brackets indicate deductions.

Note: The above figures are subject to audit. The provisional financial statements have been prepared based on same accounting policies and methods applied for the year ended 31 December 2019.

24th February 2021

MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

STATEMENT OF FINANCIAL POSITION Unaudited Financial Statements (USD) For the periods

	Note	As at 31-Dec-20	As at 30-Sep-20	As at 30-Jun-20	As at 31-Mar-20	As at 31-Dec-19
ASSETS						
Non-Current Assets						
Property, Plant and Equipment		94,261	50,958	37,845	39,194	39,379
Investment Property		-	20,000,000	20,000,000	20,000,000	20,000,000
Investments		11,102,500	-	-	-	-
Right to use of Assets		17,797,291	-	-	-	-
Net Investment in Sub lease		41,634,172	41,634,172	41,634,172	41,634,172	41,634,172
Deferred Tax Assets		2,096,306	2,096,306	2,096,306	2,096,306	2,096,306
Total Non-Current Assets		72,724,530	63,781,435	63,768,322	63,769,672	63,769,857
Current Assets						
Current portion of Net Investment in Sub lease		3,679,003	2,844,614	2,074,367	1,295,077	1,708,807
Other Receivables		45,953	43,771	21,071	21,071	6,061
Investment in Fixed Deposit		3,012,405	4,160,701	4,113,315	4,066,444	4,019,058
Tax Receivables		-	-	-	22,876	-
Cash and Cash Equivalents		706,103	265,079	548,470	678,359	370,461
Total Current Assets		7,443,464	7,314,166	6,757,223	6,083,827	6,104,387
Total Assets		80,167,994	71,095,601	70,525,545	69,853,499	69,874,244
EQUITY AND LIABILITIES						
Equity						
Share Capital		26,183,719	26,183,719	26,183,719	26,183,719	26,183,719
Share Premium		607,415	607,415	607,415	607,415	607,415
Retained Earnings/ (Accumulated		14,202,489	14,375,034	14,106,497	13,771,204	13,530,698

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losses)

Total Equity	40,993,623	41,166,168	40,897,631	40,562,338	40,321,832
Non-Current Liabilities					
Lease Liability	21,341,098	13,575,912	13,575,912	13,575,912	13,575,913
Payables to Government of Maldives	13,205,605	13,205,605	13,205,605	13,205,605	13,205,605
Total Non-Current Liabilities	34,546,703	26,781,517	26,781,517	26,781,517	26,781,518
Current Liabilities					
Trade and Other Payables	2,976,331	1,915,936	1,922,308	1,923,498	1,935,451
Current portion of Lease Liability	1,443,960	1,188,214	889,226	586,146	773,398
Tax Payable	207,378	43,766	34,863	-	62,045
Total Current Liabilities	4,627,668	3,147,916	2,846,398	2,509,644	2,770,894
Total Liabilities	39,174,371	29,929,433	29,627,915	29,291,161	29,552,412
Total Equity and Liabilities	80,167,994	71,095,601	70,525,545	69,853,499	69,874,244

Figures in brackets indicate deductions.

Note: The above figures are subject to audit. The provisional financial statements have been prepared based on same accounting policies and methods applied for the year ended 31 December 2019.

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MALDIVES TOURISM DEVELOPMENT CORPORATION PLC

STATEMENT OF CHANGES IN EQUITY

Unaudited Financial Statements

For the periods

	Share Capital	Share Premium	Retained Earnings	Total
	US\$	US\$	US\$	US\$
As at 1st January 2020	26,183,719	607,415	13,530,695	40,321,829
Total Comprehensive Income for the Period			240,509	240,509
As at 31st March 2020	26,183,719	607,415	13,771,204	40,562,338
As at 1st April 2020	26,183,719	607,415	13,771,204	40,562,338
Total Comprehensive Income for the Period			335,293	335,293
As at 30st June 2020	26,183,719	607,415	14,106,497	40,897,631
As at 1st July 2020	26,183,719	607,415	14,106,497	40,897,631
Total Comprehensive Income for the Period			268,538	268,538
As at 30st September 2020	26,183,719	607,415	14,375,034	41,166,168
As at 1st October 2020	26,183,719	607,415	14,375,034	41,166,168
Dividend			(1,105,297)	(1,105,297)
Total Comprehensive Income for the Period			932,751	932,751
As at 31st December 2020	26,183,719	607,415	14,202,489	40,993,623

Figures in brackets indicate deductions.

Note: The above figures are subject to audit. The provisional financial statements have been prepared based on same accounting policies and methods applied for the year ended 31 December 2019.

24thFebruary2021

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STATEMENT OF CASH FLOW

Unaudited Financial Statements (USD)

For the periods

	Year 2020	31-Dec-20	30-Sep-20	30-Jun-20	31-Mar-20	Year 31-12-2019
Cash Flows from Operating Activities						
Profit / (Loss) Before Tax	2,085,411	1,096,363	314,496	393,032	281,521	1,536,371
Adjustments for:						
Depreciation for the period	191,217	186,470	2,007	1,350	1,391	6,962
Gain / (Loss) on lease liability	(1,314,377)	(1,314,377)				
Interest Income on Net Investment in Sub lease	(3,617,389)	(945,719)	(881,576)	(890,620)	(899,474)	(3,682,785)
Provision for Impairment of Lease Rental Receivables	445,318	111,330	111,330	111,330	111,330	445,318
Interest Income on Fixed Deposit	(182,849)	(41,205)	(47,386)	(46,871)	(47,386)	(19,058)
Interest Expense on Lease Liabilities	1,596,742	687,586	298,987	303,080	307,088	1,266,772
Reclassification to Comprehensive Income						
Change in Trade and Other Receivables	(39,892)	(2,182)	(22,700)	-	(15,010)	-
Change in Trade and Other Payables	1,040,880	1,060,395	(6,373)	(1,190)	(11,953)	(799,756)
Cash Generated from/(Used in) Operating Activities	205,060	838,661	(231,217)	(129,890)	(272,494)	(812,595)
Sub Lease Rent Received	1,201,873	-	-	-	1,201,873	4,807,497
Head Lease Rent Paid	(926,180)	(431,840)	-	-	(494,340)	(1,977,360)
Tax Paid	(162,987)	-	(37,054)	-	(125,933)	-
Net Cash Generated from/(Used in) Operating Activities	317,766	406,821	(268,271)	(129,890)	309,106	2,017,542
Cash Flows from Investing Activities						
Acquisition of Property, Plant and Equipment	(66,329)	(50,002)	(15,120)	-	(1,207)	(4,742)
Dividend	(1,105,297)	(1,105,297)				
Investment in Fixed Deposit	1,000,000	1,000,000	-	-	-	(4,000,000)
Interest Received from Fixed Deposit	189,501	189,501	-	-	-	-
Net Cash used in Investing Activities	17,875	34,203	(15,120)	-	(1,207)	(4,004,742)

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Net Decrease in Cash and Cash Equivalents	335,642	441,024	(283,391)	(129,890)	307,898	(1,987,200)
Cash and Cash Equivalents at the beginning of the period	370,461	265,079	548,470	678,359	370,461	2,357,661
Cash and Cash Equivalents at the end of the period	706,103	706,103	265,079	548,470	678,359	370,461

Figures in brackets indicate deductions.

Note: The above figures are subject to audit. The provisional financial statements have been prepared based on same accounting policies and methods applied for the year ended 31 December 2019.



Thazmeel Abdul Samad
Managing Director



Ibrahim Latheef
Chief Financial Officer



Aishath Fazeena
Chairperson, Audit and
Risk Management Committee

25th March 2021