

2013



FIRST QUARTER REPORT

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 31st March 2013

Name	Position	Representation
Mr. Faseeh Zahir	Chairman	Non Executive
Mr. Mohamed Matheen	Managing Director	Executive
Mr. Abdulla Ahmed	Director	Non Executive
Mr. Zakariyya Hussain	Director	Non Executive
Mr. Ahmed Shakir	Director	Non Executive
Ms. Aishath Hussain Manik	Director	Non Executive
Mr. Abdullah Leeman Zahir	Director	Executive
Mr. Ali Mohamed	Director	Non Executive

Audit Committee Members as at 31st March 2013

Name	Position	Representation
Mr. Ahmed Shakir	Chairman	Non Executive
Mr. Zakariyya Hussain	Director	Non Executive
Ms. Aishath Hussain Manik	Director	Non Executive
Mr. Ali Mohamed	Director	Non Executive
Mr. Ismail Mifrah	Director	Non Executive

Nomination and Remuneration Committee members as at 31st March 2013

Name	Position	Representation
Mr. Abdulla Ahmed	Chairman	Non Executive
Mr. Zakariyya Hussain	Director	Non Executive
Mr. Ahmed Shakir	Director	Non Executive
Ms. Aishath Hussain Manik	Director	Non Executive
Mr. Ismail Mifrah	Director	Non Executive

There were no changes in board directorship / membership during the quarter.

Company Secretary

Mr. Islah Shareef

Appointed auditors of the company

KPMG Ford, Rodes, Thornton & Co
2A , H. Miyalani, Sosun Magu,
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

ULIGAMU

Location: Haa Alifu Atoll; 45-minute speedboat ride from HDh Hanimaadhoo Regional Airport
Status: approx. 40% complete, development placed on halt, currently negotiating for development commencement

Development Mode: Wholly owned

Details: 4-star, 100 beds over 36 hectares plot of land in HDh. Uligamu Island

VODAMULAA

Location: Gaafu Alifu Atoll; 50-minute speedboat ride from GDh Kaadedhoo Regional Airport

Status: Development to commence

Development Mode: In the process of finding a development partner

Details: 50 hectare island

EKULHIVARU

Location: Noonu Atoll

Status: Development to commence

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

Details: Deluxe, 180 beds

KIHIVAH HURAVALHI

Location: Baa Atoll

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

Development Mode: Sublease model

Details: 5-star deluxe, 156 beds

KONDEYMATHEELAABADH

Location: Gaafu Alifu Atoll

Status: Conceptual development complete, development to commence

Development Mode: wholly owned

Details: 100 beds

MAGUDHUVAA – Ayada Maldives

Location: Gaafu Dhaalu Atoll

Status: Under Operation from November 2011 onwards as Ayada Maldives

Development Mode: Sublease

Available Details: 5-star, 200 beds

NAAGOASHI

Location: Haa Dhaalu Atoll

Status: Under development, 50% complete

Development Mode: Sublease

Details: 5-star, 600 beds

Expected date of completion: end of 2013

EMBUDHUFUSHI AND OLUVELI

Location: Dhaalu Atoll

Status: Under Operation from March 2012 onwards as Niyama Maldives

Development Mode: Sublease

Details: 5-star deluxe

4. Employment data

Number of Staff: 436 employees

5. Board related details

Number of Meetings Held	No
Board Meeting	4
Nomination and Remuneration	1
Audit Committee	2

The board of directors resolved various issues of the company including;

- Issues related to the Uligamu Project
- Issues related the operation of Herathera
- Decision on taking over of the operations and management of Club Faru Resort
- Issues related to the sublease islands
- Various business issues and issues related to MTDC properties

6. Share Trading History

Market Highlights for the Quarter

- ❖ Highest Traded Price - MVR 100.00
- ❖ Lowest Traded Price - MVR 100.00
- ❖ Weighted Average Traded Price – MVR 100.00
- ❖ Market Capitalization – MVR 314,397,100.00
- ❖ Price Earnings Ratio – MVR 101.67

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 1st 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
31 MARCH 2013

MALDIVES TOURISM DEVELOPMENT CORPORATION

Provisional Financial Statements

STATEMENT OF COMPREHENSIVE INCOME

For the Period ended	Note	31-Mar-13 US\$	31-Dec-12 US\$
Revenue		5,902,501	4,451,227
Cost of Sales		<u>(2,987,174)</u>	<u>(2,669,343)</u>
Gross Profit		2,915,327	1,781,884
Other Income		334,341	15,572
Distribution Expenses		-	(4,430)
Administrative Expenses		<u>(2,658,970)</u>	<u>(2,693,452)</u>
Results from Operating Activities		590,698	(900,427)
Finance Costs		(390,162)	(386,897)
Net Finance Income / (Costs)		<u>(390,162)</u>	<u>(386,897)</u>
Profit / (Loss) Before Tax		200,536	(1,287,324)
Profit / (Loss) for the Year		<u>200,536</u>	<u>(1,287,324)</u>
Basic and diluted Earnings / (Loss) Per Share		0.06	(0.41)

Figures in brackets indicate deductions.

Note: The above figures are not audited. The provisional financial statements have been prepared on the basis of same accounting policies and methods applied for the year ended 31 December 2012.

30th April 2013

MALDIVES TOURISM DEVELOPMENT CORPORATION

Provisional Financial Statements

STATEMENT OF FINANCIAL POSITION

ASSETS	Note	As at 31-Mar-13	As at 31-Dec-12
Non-Current Assets			
Property, Plant and Equipment		65,654,728	66,860,255
Intangible Asset		1,013	1,058
Trade and Other Receivables		3,103,767	2,586,473
Total Non-Current Assets		<u>68,759,508</u>	<u>69,447,786</u>
Current Assets			
Inventories		313,293	390,308
Amount due from related parties		358,819	-
Trade and Other Receivables		68,363,656	66,304,053
Cash and Cash Equivalents		615,845	847,063
Total Current Assets		<u>69,651,612</u>	<u>67,541,424</u>
Total Assets		<u>138,411,120</u>	<u>136,989,210</u>
EQUITY AND LIABILITIES			
Equity			
Share Capital		24,466,700	24,466,700
Share Premium		2,324,434	2,324,434
Retained Earnings		8,499,635	8,332,377
Total Equity		<u>35,290,769</u>	<u>35,123,511</u>
Non-Current Liabilities			
Deferred Tax Liabilities		2,792,447	2,792,447
Loans and Borrowings		12,249,615	13,514,547
Sub Lease Advances		46,571,142	44,797,077
Total Non-Current Liabilities		<u>61,613,204</u>	<u>61,104,071</u>
Current Liabilities			
Loans and Borrowings		5,350,000	4,500,000
Trade and Other Payables		36,157,147	36,261,628
Total Current Liabilities		<u>41,507,147</u>	<u>40,761,628</u>
Total Liabilities		<u>103,120,351</u>	<u>101,865,699</u>
Total Equity and Liabilities		<u>138,411,120</u>	<u>136,989,210</u>

Figures in brackets indicate deductions.

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30th April 2013

MALDIVES TOURISM DEVELOPMENT CORPORATION

STATEMENT OF CAHS FLOW

Provisional Financial Statements

FOR THE PERIOD ENDED

Note	31-Mar-13 US\$	31-Dec-12 US\$
Cash Flows From Operating Activities		
Profit / (Loss) Before Tax	200,536	(1,287,324)
Adjustments for:		
Depreciation	1,218,071	1,219,156
Amortization of Intangible Assets		296
Interest expenses	390,162	386,897
Reclassification to Comprehensive Income		
Change in Inventories	77,015	137,229
Change in Trade and Other Receivables	(2,935,716)	(2,407,340)
Change in Trade and Other Payables	1,669,584	827,973
Cash Generated from/(Used in) Operating Activities	619,653	(1,123,111)
Interest Paid	(435,940)	(386,897)
Net Cash Generated from/(Used in) Operating Activities	183,713	(1,510,009)
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	-	(14,269)
Net Cash used in Investing Activities	-	(14,269)
Cash Flows from Financing Activities		
Repayment of Loans and Borrowings	(414,932)	(63,103)
Net Cash flows Used in Financing Activities	(414,932)	(63,103)
Net Decrease in Cash and Cash Equivalents	(231,219)	(1,587,380)
Cash and Cash Equivalents at the beginning of the year	847,063	2,434,444
Cash and Cash Equivalents at the end of the year	615,844	847,063

Figures in brackets indicate deductions.

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30th April 2013