

SECOND QUARTER REPORT

APRIL TO JUNE

2013



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 19th June 2013

Name	Position	Representation
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 19th June 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 19th June 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

Board of Directors as at 30th June 2013

Name	Position	Representation
Mr. Ahmed Niyaz	Director	Executive
Mr. Abdullah Leeman Zahir	Director	Executive
Mr. Ali Mohamed	Director	Non Executive
Mr. Abdulla Nisaam	Director	Non Executive
Mr. Ahmed Wafir	Director	Non Executive

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 OLHUVELI

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

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

- Issues related to AGM 2012
- Issues related amending of Articles of Association and Memorandum of Association
- Issues related Herathera Island Resort
- Issues related to the sublease islands
- Various other 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

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
30 JUNE 2013

MALDIVES TOURISM DEVELOPMENT CORPORATION

Provisional Financial Statements

STATEMENT OF COMPREHENSIVE INCOME

For the Period ended	Note	30-Jun-13 US\$	Restated 31-Mar-13 US\$
Revenue		4,320,128	5,918,661
Cost of Sales		(2,421,632)	(3,095,279)
Gross Profit		1,898,496	2,823,382
Other Income		1,787	332,720
Distribution Expenses		-	(130)
Administrative Expenses		(2,533,659)	(2,669,495)
Results from Operating Activities		(633,376)	486,478
Finance Income		-	-
Finance Costs		(390,162)	(390,162)
Net Finance Income / (Costs)		(390,162)	(390,162)
Profit / (Loss) Before Tax		(1,023,538)	96,315
Tax Expense		-	-
Profit / (Loss) for the Year		(1,023,538)	96,315
Basic and diluted Earnings / (Loss) Per Share		(0.33)	0.03

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 2012

30th August 2013

MALDIVES TOURISM DEVELOPMENT CORPORATION

Provisional Financial Statements

STATEMENT OF FINANCIAL POSITION

		As at	Restated
ASSETS	Note	30-Jun-13	As at 31-Mar-13
Non-Current Assets			
Property, Plant and Equipment		64,840,382	66,041,352
Intangible Asset		967	1,013
Trade and Other Receivables		2,758,904	2,931,336
Total Non-Current Assets		<u>67,600,253</u>	<u>68,973,700</u>
Current Assets			
Inventories		308,780	326,449
Amount due from related parties		192,069	362,372
Trade and Other Receivables		70,401,512	67,992,749
Cash and Cash Equivalents		518,199	399,903
Total Current Assets		<u>71,420,560</u>	<u>69,081,473</u>
Total Assets		<u>139,020,814</u>	<u>138,055,173</u>
EQUITY AND LIABILITIES			
Equity			
Share Capital		24,466,700	24,466,700
Share Premium		2,324,434	2,324,434
Retained Earnings		6,528,807	7,552,345
Total Equity		<u>33,319,941</u>	<u>34,343,479</u>
Non-Current Liabilities			
Deferred Tax Liabilities		2,120,104	2,120,104
Loans and Borrowings		11,558,552	12,118,430
Sub Lease Advances		46,322,164	46,913,533
Total Non-Current Liabilities		<u>60,000,820</u>	<u>61,152,067</u>
Current Liabilities			
Loans and Borrowings		5,545,000	5,350,000
Trade and Other Payables		40,155,053	37,209,627
Total Current Liabilities		<u>45,700,053</u>	<u>42,559,627</u>
Total Liabilities		<u>105,700,873</u>	<u>103,711,694</u>
Total Equity and Liabilities		<u>139,020,814</u>	<u>138,055,173</u>

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 2011

30th August 2013

MALDIVES TOURISM DEVELOPMENT CORPORATION

STATEMENT OF CAHS FLOW

Provisional Financial Statements

FOR THE PERIOD ENDED	Note	30-Jun-13	Restated 31-Mar-13
		US\$	US\$
Cash Flows From Operating Activities			
Profit / (Loss) Before Tax		(1,023,538)	96,315
Adjustments for:			
Depreciation		1,217,990	1,218,324
Amortization of Intangible Assets		-	-
Interest expenses		390,162	390,162
Reclassification to Comprehensive Income			
Change in Inventories		17,669	63,859
Change in Trade and Other Receivables		(2,066,029)	(2,963,012)
Change in Trade and Other Payables		2,354,057	1,599,605
Changes in amount to related parties			-
Cash Generated from/(Used in) Operating Activities		890,311	405,254
Interest Paid		(390,162)	(423,385)
Net Cash Generated from/(Used in) Operating Activities		500,149	(18,131)
Cash Flows from Investing Activities			
Purchase of Property, Plant and Equipment		(16,974)	(12,966)
Payment of Dividend		-	-
Interest Received		-	-
Net Cash used in Investing Activities		(16,974)	(12,966)
Cash Flows from Financing Activities			
Repayment of Loans and Borrowings		(364,878)	(416,064)
Net Cash flows Used in Financing Activities		(364,878)	(416,064)
Net Decrease in Cash and Cash Equivalents		118,297	(447,161)
Cash and Cash Equivalents at the beginning of the year		399,903	847,063
Cash and Cash Equivalents at the end of the year		518,199	399,903

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 2011

30th August 2013