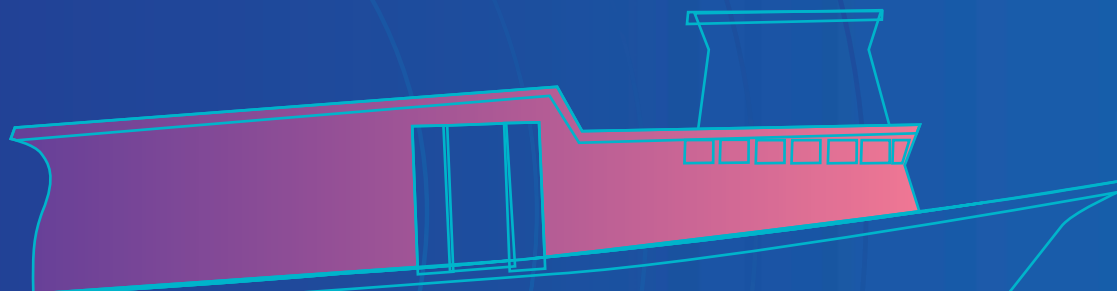




ANNUAL REPORT

2020

Centurion Public Limited Company



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Attention

This document comprises the Annual Report of Centurion Plc, prepared in accordance with the requirements of Companies Act of the Republic of Maldives (10/96), Listing Rules of Maldives Stock Exchange, the Securities Act and Securities Regulation, and Corporate Governance Code of Capital Market Development Authority.

Centurion prepares its financial statements in accordance with International Financial Reporting Standards. References to a year in this report are, unless otherwise indicated, references to the Company's financial year ending 31st December 2020.

This Annual Report contains forward looking statements that are based on expectations and assumptions about the future. Forward looking statements are identified by words or phrases such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'shall', 'will', 'will continue', 'may' or any other words or

phrases of similar import. Similarly, statements that describe objectives, plans or goals are also to be considered as forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the respective forward-looking statements. Undue reliance should not be placed on forward looking statements because, by their very nature, they are subject to known and unknown risks and uncertainties that may cause actual results to materially differ from those expressed or implied in the forward-looking statements.

Unless otherwise stated in this Annual Report, the terms 'Centurion', 'CPLC', 'Company', the 'Group', 'we', 'us' and 'our' refer to Centurion Plc and its subsidiaries.

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ABOUT THE REPORT

Welcome to the fourth consecutive Annual Report of Centurion PLC. The Report provides an overview of the financial and non-financial information, key functions, strategic investments, and the main business segments of the Company. The Report also includes information regarding the return optimization process of CPLC, summarized in the Group Strategy Section, and governance, performance, and the Company's efforts towards sustainability in a coherent manner.

Reporting Framework

This Report has drawn on the concepts, principles, and guidelines described in the following sources:

Act No. 10/96; the companies Act of Maldives

Corporate Governance Code issued by Capital Market Development Authority (CMDA)

Continuing Disclosure Obligations of Issuer of CMDA

Maldives Stock Exchange Listing Rules

Accounting Standards (IAS) and International Financial Reporting Standards (IFRS);

Report Boundary And Reporting Period

The overall boundary of this Report includes both Centurion PLC (referred to as CPLC or Company) and its subsidiaries as listed out in page 7 (collectively referred to as the "Group"). Both financial aspects and non-financial aspects cover for Centurion PLC and its subsidiaries. Reporting period covers from 1 January 2020 to 31 December 2020.

External Assurance

The Financial Statements were audited by Messrs KPMG Chartered Accountants.

Precautionary Principle

The Company applies the precautionary principle in relation to social and environmental sustainability. The Company is mindful of the impacts caused to society and environment by its operations and have taken necessary measures to mitigate any negative impacts and risks in operational planning and activities.

Forward-looking statements

The Report includes forward-looking statements, which relate to the possible future financial position and results of the Group's operations. These statements by their nature involve an element of risk and uncertainty, as they relate to events and depend on circumstances that may or may not occur in the future. However, the Group does not undertake to update or revise any of these forward looking statements publicly, whether to reflect new information or future events or otherwise.

Queries

Further queries regarding the Report or its contents should be addressed to the Corporate Secretary,
Centurion PLC at corporate.affairs@centurion.mv

Address: Faamudheyrige – 8 A, Orchid Magu
Male' 20209, Rep. of Maldives

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+960 333 5830

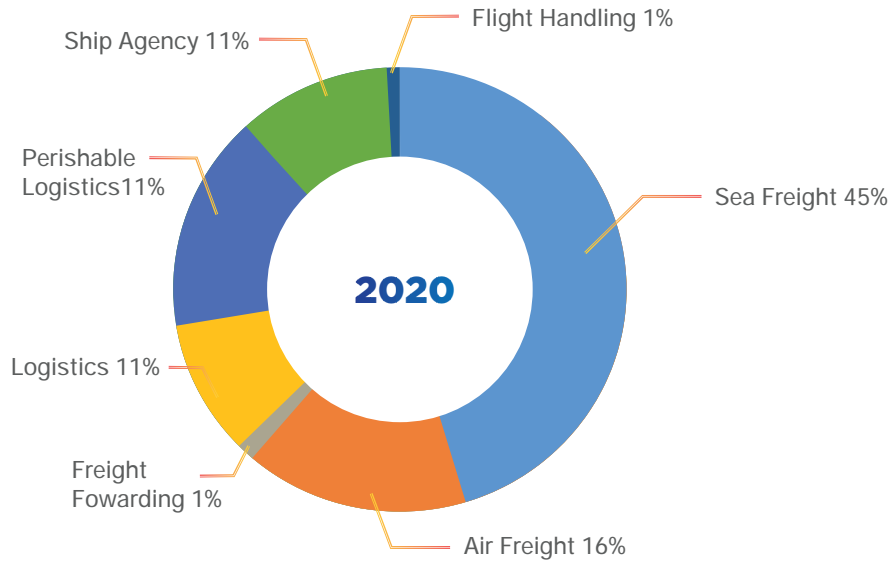
Fax: +960 332 1367

Email: info@centurion.mv

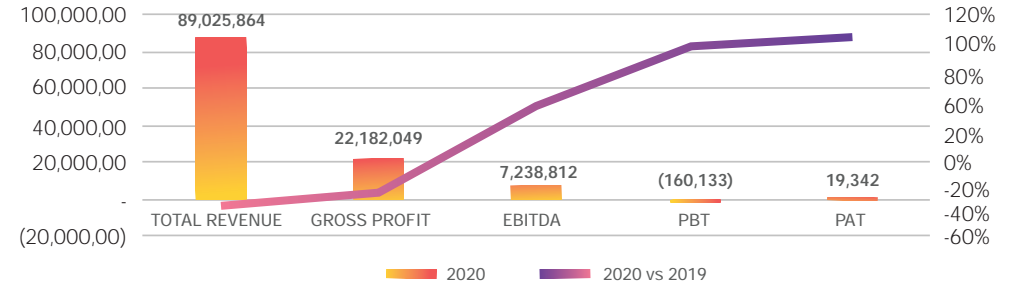
The Report is available in both print and HTML versions.
The latter may be downloaded from the Company's website www.centurion.mv

FINANCIAL HIGHLIGHTS 2020

GROUP TURNOVER - 2020



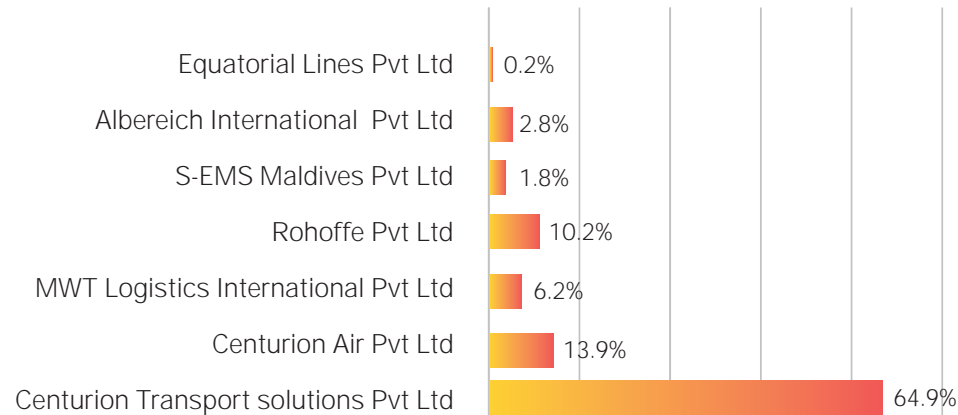
KEY PERFORMANCE INDICATORS



REVENUE: -35% vs 2019, GROSS PROFIT: -26% vs 2019, EBITDA: 46% vs 2019, PBT: 96% vs 2019, PAT: 101% vs 2019,

Revenue Segments	Turnover in Millions, MVR
Sea Freight	40.29
Air Freight	14.29
Freight Forwarding	1.04
Logistics	8.76
Perishable Logistics	14.10
Ship Agency	9.64
Flight Handling	0.92

SUBSIDIARY WISE TURNOVER CONTRIBUTIONS



CONSOLIDATED NET SALES
MVR 89.03
 MILLIONS

VISION

Centurion Plc. has the vision of becoming the leading and most reliable logistics and warehousing solution provider in the Maldives by building the necessary infrastructure, knowledge and use of cutting-edge technology.

MISSION

Centurion Plc. has the aim of establishing a company that builds a reputation based on reliability, affordability and ease of service. The company will continually work towards providing complete logistical and warehousing solutions to its customers while focusing on cutting costs and increasing operational efficiency with the primary motivation of providing the customer with a reliable and affordable service.

OUR GOALS

Aim for sustainable profitability, increase our earnings and to enhance our corporate environment through profitable ventures.

CORPORATE VALUES

Teamwork

Teamwork is the foundation of an effective, successful, fun environment in which the whole is greater than the sum of the parts. Every team member is empowered to bring positive influence to the team. Our team is diversified and creates synergy for our new ideas and actions.

Sustainable Profitability

We aim to grow the company, to increase our earnings, and to enhance our corporate environment through profitable ventures.

People

Successful individuals are the driving force behind a successful enterprise. An effective Human Resources Management from staff acquisition, retaining and empowerment is our competitive advantage.

Customer Success

For service the smile back is the mission of our business strategy. A long-term customer relationship management leads

Openness

Openness facilitates informed decisions, understanding, and trust. Information transparency across the organization facilitates to achieve business goals.

Innovation

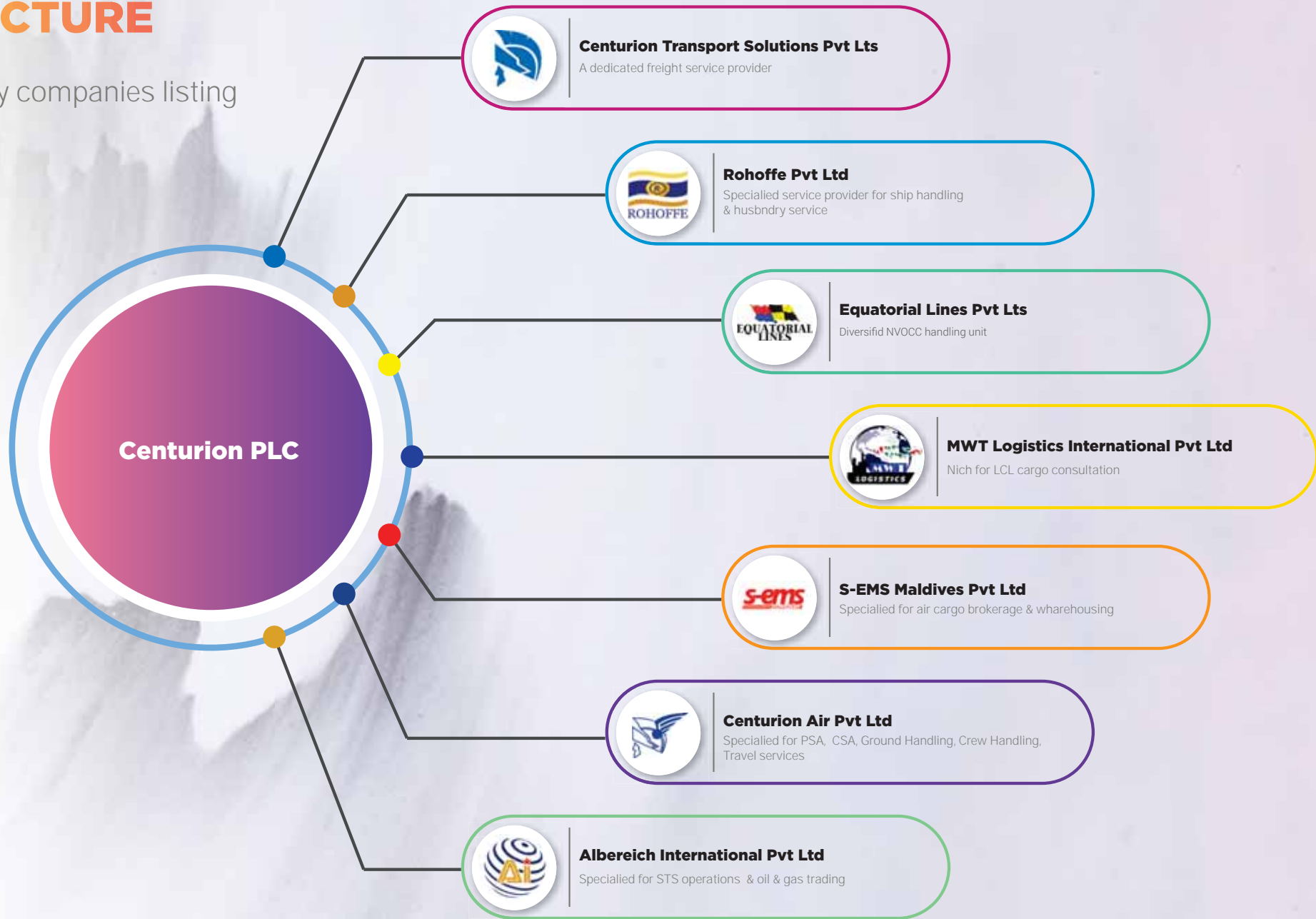
With the innovative information system and business structure. We provide maximum leverage to fulfill the needs of our customers through renovated products, value-added services and customers support.

Social Responsibility

We aim long term development of the employees and to the society. We encourage staff grow with the company and career development. We aim to contribute back to the society in the way of operates in an ethical and sustainable way and deals with its environmental and social impacts.

GROUP STRUCTURE

Subsidiary companies listing



SUBSIDIARY COMPANY REVIEW

Centurion Transport Solutions Pvt Ltd

Business Overview

Centurion Transport Solutions Private Limited (CTS) is a limited liability company incorporated in the Republic of Maldives on 26th August 2010 bearing registration no. C-0510/2010. Its parent and ultimate holding company is Centurion PLC with 99% shareholdings. CTS offers a reliable and effective transport solution to the shipping and airline industry. It has a strong network within Maldives and provides liner agency services, logistics, freight forwarding and related services. CTS is a premium service provider for Maldives Custom Brokerage Services, handling all aspects of importation, exportation, custom clearance and compliance. CTS operates out of Ibrahim Nasir International Airport for all air clearance and sea clearance is handled through Male' head office.

Equatorial Lines Pvt Ltd

Business Overview

Equatorial Lines Private Limited is a limited liability company incorporated in the Republic of Maldives on 23rd March 2011 bearing registration no. C-0177/2011. Its parent and ultimate holding company is Centurion PLC with 99.99% shareholdings.

The company is engaged in providing freight forwarding services and has collaborations with major freight networks which enhance value to its services provided. The services offered include ocean freight, air freight and door to door shipping.

Rohoffe Pvt Ltd

Business Overview

Rohoffe Private Limited is a limited liability company incorporated in the Republic of Maldives on 16th October 2011 bearing registration no. C-0675/2011. Its parent and ultimate holding company is Centurion PLC with 99.99% shareholdings.

The company specialises in providing agency services including ship supply service and serves all Maldivian ports including the international shipping traffic lanes off the northern and southern tip of Maldives. In addition, Rohoffe provides support services to maritime security companies' anti-piracy operations by providing embarkations and disembarkation for personnel and storage facilities for weapons in the Maldives.

MWT Logistics International Pvt Ltd

Business Overview

MWT Logistic International Private Limited is a limited liability company incorporated in the Republic of Maldives on 28th October 2018 bearing registration no. C-0177/2011. Its parent and ultimate holding company is Centurion PLC with 99.99% shareholdings.

The company is engaged in providing freight forwarding services and has collaborations with major freight networks which enhance value to its services provided. The services offered include ocean freight. The entity is specialized in handling LCL cargo imports to Maldives.

SEMS Maldives Pvt Ltd

Business Overview

S-EMS Maldives Private Limited is a limited liability company incorporated in the Republic of Maldives on 04th March 2008 bearing registration no. C-0177/2011. Its parent and ultimate holding company is Centurion PLC with 99.99% shareholdings.

The company is engaged in providing freight forwarding services and has collaborations with major freight networks which enhance value to its services provided. The services offered include air freight and door to door shipping.

Centurion Air Pvt Ltd

Business Overview

Centurion Air, a subsidiary of Centurion PLC is a Maldives based company that works in the aviation sector. Our mission is to empower customers with a diverse and comprehensive array of aviation RELATED services, by following the international standards by having its IATA accreditation and regulation of the IATA /ICAO, We are fully committed to Aviation. Whereas our values are to earn trust of the market and individuals by adopting honest, clarity, transparency and honor policies as our commitments We offer ground handling from general aviation to cooperate to private ad-hoc flights.

In 2019 Centurion Air was appointed by Singapore Airline to represent SQ cargo (CSA) outbound from Maldives and most recently Centurion Air has been appointed as Passenger Sales Agent(PSA) for SIA.

Having both PSA and CSA title of Singapore Airlines, Centurion Air is fully committed to serve it's customers premium services for 24/7.

Albereich International Pvt Ltd

Business Overview

Albereich International Pte Ltd incorporated in 2019 and strategically headquartered in Maldives. We as a subsidiary of the first private public listed company Centurion Plc one of the leading logistic company in Maldives. Its principal operations include Ship to Ship transfer operations, petroleum surveyor, import and export, including import and export agency business of petroleum products, petrochemical and chemical products. With experts of international exposure in the market with quality service. And successfully completed several operations within the short time.

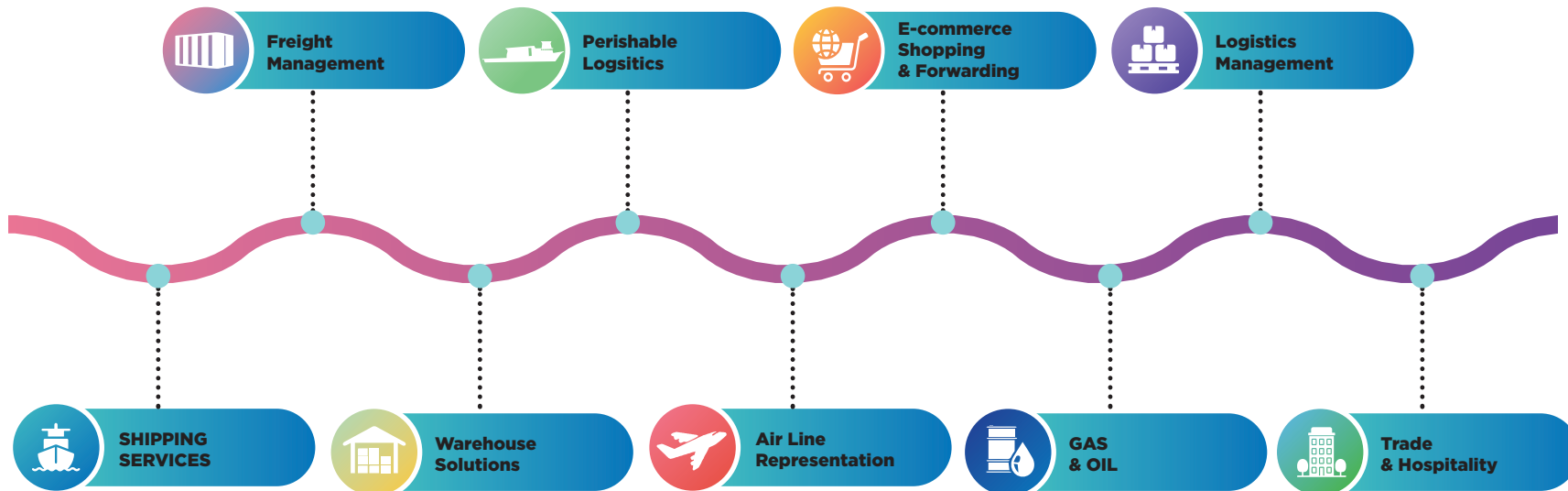
OUR BUSINESS MODEL

Centurion is third party logistics (3PL) company established in 2009 and serve the industry as an end to end shipping solution provider. We Represent Mediterranean Shipping Company (MSC) the World's 2nd Largest Liner Shipping Company operating in all major ports of the world. Singapore Airlines Cargo catering export cargo out of Maldives, Sajak Line and CWT Line enabling us to connect Maldives to all worldwide locations with ease.

As a part of a worldwide network of shipping agents and having its own Customs Brokerage Office, Centurion group has the capacity to move cargo from any location ex-warehouse to any destination in Maldives.

Centurion PLC Primary areas of businesses are Freight, Logistics, Customs brokerage and shipping services.

Today Centurion is operating with four offices in Maldives covering Northern and Southern regional ports with more than 150 staff working round the clock providing solutions to customers.



GROUP STRATEGY

Centurion PLC group core strategy has always been to achieve attractive return based on the turnover target achievement.

With the COVID-19 crisis, we know that this is no ordinary economic downturn: fundamental changes in consumer behaviour, supply chains, and routes to market are knocking companies off balance. Building the intelligent enterprise to create agility and resiliency is part of the key change strategy.

Becoming the Intelligent Enterprise meant shifting from top-down decision-making. Empowering teams guided by purpose. Driven by data and powered by technology. Enabled by cloud for faster speed to market. The group had to reinvent its digital strategy to encompass both the technological and the cultural changes needed for digital transformation.

The Board of Directors strategized at optimizing the group's resilience—rebalancing for risk and liquidity, while assessing opportunities for growth through mergers, acquisitions and strategic partnerships coming out of the downturn.

The board of directors strongly believe turnover based profitability achievement as the solid approach delivering expected returns to the residual owners. Below diagram shows typical approach follows by the management of Centurion PLC to achieve its bottom-line targets as directed by the Board of Directors.



Organic Strategies	
Strategic Value Drivers	› Client Acquisition
	› Efficiency Improvement
	› Margin Management
	› Network Management
	› Strategic Investments
	› Technology Adoption
	› Trade Lane Optimization
	› Working Capital Management
	› Consolidate Market Leadership
	› Cross Selling
› New Customer Acquisition	
› Optimize End-To-End Serviceability	
› Strengthen Captive Markets	
› Specialization in Identified High Growth Verticals	
› Technology- Driven Service Model	

OUR SERVICES



Shipping Services

Ship Agency, Bunker Fuel, Protecting Agency, Repair and Maintenance services, Marine Survey ,P&I representaion



Warehouse Solutions

Dry & Temperature controlled warehousing, value added services, Integrated solutions



Logistics Management Services

Customs Brokerage Services, End to End logistics management, Project logistics Management, Air & Sea cargo clearance



Freight Management Services

Sea Freight, Air Freight, Line representation, NVOCC services, LCL consolidatrion



Perishable Logistics Services

Hotel supply chain management, Fleet management



E-commerce Shopping & Forwarding services

Global shop & Forwarding , Local networking , E-commerce business solutions



Air Line Representation

PSA, CSA, Ground Handling, Crew Handling, Travel services



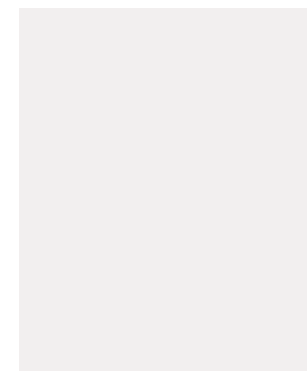
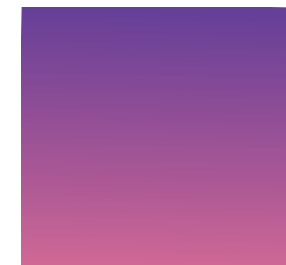
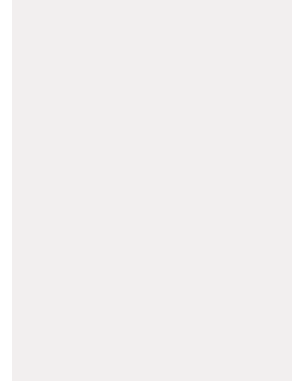
GAS & OIL

STS Operations, Petroleum trading, Petroleum distribution



Trade & Hospitality

Import, Distribution, Hotels, F&B



AWARDS AND RECOGNITION

The leading 100 companies awarded at the event were selected in consultation with Cosmos Investment Advisors, a leading investment advisory firm in the Maldives. These 100 companies were selected from among 13,500 companies registered in the country and were presented with special awards in recognition of their exemplary work and success.

Centurion aspires to be a leader in operational excellence, customers service and sustainability. The awards it has received over the years is testament to its commitment to drive towards this aspiration.



LETTER TO SHAREHOLDERS

Dear Shareholders,

2020 was a year like no other. When we started 2020, we were looking for a stronger year, with the changes we started bringing in from 2018/19, we were well on track to achieve our strategic goals set out for the short and long term.

Then covid-19 struck the world with full force. The global pandemic presents a crisis on a scale many of us have never experienced before. The toll it has taken on human life is heartbreaking, while it has also caused the largest economic downturn for decades. In a short span of time, the country and businesses alike came to a standstill. Maldives being depended on tourism as main economic driver, found substantial part of economic activity at standstill.

Covid- 19 first hit Centurion group late April on Perishable Services sector and Air export. With in a short span of just a month our revenue ad dropped by 70%, 2 key sectors at full standstill. We were suddenly put in a place where loosing revenue while cost was still incurring. There were no set procedures laid down to deal with a crisis such as this, but with in a short time, our teams managed to scale down operations, and bring down expenses to address the situation at hand.

Centurion being internationally exposed company, had always taken global threats seriously expecting it to hit home. As such from the first reported incident to the pandemic becoming global, we had taken issue seriously and setup our staffs, communication channels and working procedures well ahead of the market. This enabled us to respond to the crisis head on and keep the team intact while working from various locations.

Our staffs will always be our top priority, as such the team has established contact tracing and making working environment safe for all. Our elderly staffs were asked to work from home which key departments were setup to avoid a total shutdown in case of a any outbreak.

Despite the challenges, 2020 was used to make Centurion group strong and future looking. Most notably company took the opportunity to develop Centurion

“ Despite the challenges, 2020 was used to make Centurion group strong and forward looking. Most notably the company took the opportunity to develop its own products. These includes an e-commerce, platform and an international LCL groupage business. ”

own products. These includes e-commerce shopping and forwarding facilitator, international LCL groupage business.

2020 was a tough year, non any of has seen in our lifetime. Global economy brought to stand still with in few months. The only way we have come out of the year still in good shape is the result of working together in one spirit. Therefore, let me thank the Centurion group Management and staffs who ensured our commitment to our customers is upheld despite the difficult times.

I am confident the measures CPLC group has taken will ensure a stronger future for the group.



Capt. Ahmed Maumoon
Chairman

MANAGING DIRECTOR'S MESSAGE

Dear Shareholder,

It's hard to conceive that for more than a year the COVID-19 pandemic has wreaked havoc around the world. Many of us have never lived through anything like the coronavirus, nor such an incredible amount of disruption in our daily lives. From something as simple as taking a walk in the park or hosting a birthday party to broader decisions like canceling large gatherings or working remotely, the way we make decisions vastly shifted. We are reconsidering every decision and re-evaluating every necessity. Actions that were once subconscious instinctive behavior are now calculated, cautious equations.

The same applies to business. Many of the insights that once drove critical business decisions no longer apply as organizations adapt to an ever-changing new normal – including disruptions in critical supply chains, and workforce constraints.

Our performance

Our top priorities throughout the year were to ensure our offices remained fully operational, to engage and support our principals and customers with an uninterrupted service, and to protect the health and safety of our employees. While we started the year with strong positive momentum, the Covid crisis changed the business environment dramatically in all our markets. Our recovery was encouraging in many parts of our operations and this was helped by strong cost-saving initiatives. The Group's performance considering the extremely challenging circumstances is commendable on the staff.

Centurion Group's operating revenues in 2020 were MVR 89.03 million (2019: MVR 136.49million). This is 35% decline compared to 2019 total revenue, mainly due to weaker performance in Ocean Freight, Perishable Services and Customs Clearance, although this was partially offset by an improved performance in Ship Handling during the pandemic, Compared to 2019 revenue of ship handling revenue increased 85% in 2020. This is a direct reflection of the Governments policy to keep the borders open for ships specially for crew change. Further with the aggressive cost cutting measures, the administrative expenses reduced from MVR 29.547 million in 2019 to MVR 23.503 Million in 2020. This is a 20% cost reduction. Group EBITDA increased 24% from Mvr 5.48 million to MVR 7.24 million, representing a 8 % margin, up 4% points year-on-year. Net cash flow (NCF) from operating activities was negative MVR 2.97 million, though its negative NCF compare to last year 2019 this is 62% improvement to company operating cash flow.. Net Income after tax increased from a negative MVR 3.30 million in 2019 to a positive MVR 0.0193 million in 2020.



I am very proud of how our teams responded to the challenges Covid presented. I applaud the way they reached out so effectively as they made the transition to working remotely. Our response was equally encouraging on the customer side. We engaged with our customers so that we could understand the specific difficulties they faced and support them with tailored solutions. We helped our customers restart their activities as soon as they could safely do so, and our personalized approach was very well received.

The environment in 2020 challenged us to be more creative. CENEX was launched as an express parcel and procurement service. In 2020 and into 2021, the Covid pandemic has proven the value of stay-at-home shopping and further accelerated the pace of change. Technological solutions that allowed us to support the complete consumer journey were fully implemented.

People

No review of our operations in 2020 would be complete without thanking our employees for their loyalty throughout the year. During the many challenges we faced in 2020, I was delighted to see increases in the Group's employee engagement. Attracting, developing, and retaining the very best people will always be a cornerstone of our success.

Outlook

The Group will continue to invest in product and technology, and further deploy the strong transactional model we have developed to leverage additional revenue opportunities and create value over time. From the experiences we have learned during the year 2020, we know that to be resilient we need a more diversified portfolio. As this is part of our strategic goal, we will aggressively look at diversification opportunities.

The macroeconomic environment globally will take time to recover fully, and the Covid crisis confirmed our market positions. Looking ahead, our strong client relationships and enhanced product will continue to support the business development. With strong operational reach to a number of geographic markets and our growing momentum in enhancing our product and technology platform, the Group believes it has a sustainable growth profile. I am confident we can continue to expand and seize new opportunities as they arise.



Aimon Jameel
Managing Director

“ Our top priorities throughout the year were to ensure our offices remained fully operational, to engage and support our principals and customers with an uninterrupted service, and to protect the health and safety of our employees. ”

BOARD OF DIRECTORS



Capt. Ahmed Maumoon
Chairman / Non-Executive Director



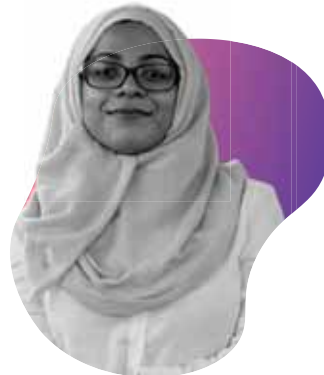
Mr. Aimon Jameel
Managing Director/ Executive Director



Mr. Abdulla Nafiz
Non-Executive Director



Dr. Ahmed Ranesh
Non-Executive Director



Ms. Hawwa Shafeea Riza
Non-Executive Director



Mr. Ismail Hameed
Non-Executive Director



Mr. Husain Nizar
Executive Director

BOARD OF DIRECTORS PROFILE



Capt. Ahmed Maumoon

Chairman / Non-Executive Director

Captain Maumoon brings broad experience of logistics industry experience. He is the visionary leader of the group who sets the direction. The strategy of the company is enabled through his rich insight and knowledge of the industry.

Educated in the United Kingdom and Master Mariner by profession Captain Maumoon started his maritime career in 1990 and came ashore in 1999 with a vision. He holds a Master's Degree in International Shipping from University of Plymouth UK and a Master's Degree in Shipping Trade and Finance from City, University of London UK.

Previously he was the Managing Director of Maldives National Shipping Limited before creating Centurion Transport Solutions in 2008. With his insights in the logistics industry he pioneered the development of 'local logistics' in Maldives and today Centurion Transport Solution is a leading Logistics Firm in the Maldives



Mr. Aimon Jameel

Managing Director/ Executive Director

Mr. Jameel is Managing Director of Centurion Public Limited Company. He has more than 35 years' experience in shipping having worked in London and Singapore. He was previously the Managing Director and later the Chairman of Maldives National Shipping Limited. Over the course of his career, he has served as a Board Member of the Maldives Ports Authority. Before joining Centurion Transport Solutions he worked as a consultant in the shipping industry.

Mr Jameel has a broad knowledge of container and break-bulk movement in the Far East and South East Asia. He is a key player in developing the container trade and off shore ship supply service.



Mr. Abdulla Nafiz

Non-Executive Director

Mr Nafiz is the Dean of the Faculty of Business Management at Villa College Maldives. He is a certified assessor and trainer with more than 15 years of business experience including senior management experience in both public and private sectors. He is an Associate Fellow of the Australian Institute of Management.

Educated in Australia, he holds a Master's Degree in Business Administration degree from the University of Adelaide Australia and a Bachelor's Degree in Business degree from the the University of South Australia.

He also served as the Dean of the Faculty of Management and Computing (current Business School) of the Maldives National University for more than 5 years. He was also a member of the Executive Board of the Association of Management Development Institutions in South Asia (AMDISA); an umbrella organizations of business schools in South Asia based in Hyderabad.

Mr Nafiz also served as one of the four directors of the Maldives National Shipping Limited (MNSL) including the position of the Chairman of the Maldives National Shipping Agencies, Singapore, a fully owned subsidiary of the MNSL. In addition, he also served as a small to medium enterprise/trade national consultant to the United Nations Development Programme (UNDP).



Dr. Ahmed Ranesh

Non- Executive Director

Dr. Ahmed Ranesh is an engineering and project management professional with over 20 years of experience. He is currently the Managing Director of Marine Innovations Pvt Ltd and is a consultant at Heavy Force Pvt Ltd undertaking major infrastructure development projects across the country. Previously Dr. Ranesh served as Deputy Director and Head of Engineering Department at Maldives Transport and Contracting Company.

Dr. Ahmed Ranesh was elected to the board as a Non-Executive Independent Director at the Annual General Meeting held on 25th July 2017.

Dr. Ranesh holds a Doctor of Project Management from University of South Australia; a Master of Engineering Project Management from University of Melbourne, Australia and a Bachelor of Science in Mechanical Engineering.



Mr. Hussain Nizar
Executive Director

Mr. Hussain Nizar Group - COO Mr. Hussain Nizar performs as COO of Centurion group. Mr. Nizar took over the position during the 1st quarter of financial year 2019 to overlook the company's entire operations and expanding the customer base while tightening the business relationship with them.

Mr. Nizar was one of the leading businessmen in the Maldives before he takes the chair at Centurion. He served as the Managing Director/Director and shareholder of Marine Coral Maldives, Radiantheat group and Aspac Maldives.

After the successful businessman career, Mr. Nizar represented as Director of Maldives Ports Limited and Thilafushi Corporation boards. Also Mr. Nizar was the Chairman of Maldives Ports Limited during the period 2009 – 2012. Over the years of Mr. Nizar's career, he gained vast experience in port operations, import, export, and air freight and sea freight sector in consulting private firms in Tax Consultancy to private firms.



Mr. Ismail Hameed
Non - Executive Director

Mr Ismail Hameed was appointed as the Director of Centurion Public Limited Company on 18 August 2020. Mr Hameed has over fourteen years of professional experience across numerous functions of accounting and finance, internal and external audit, international fund management, financial reporting and business consultancy.

Mr Hameed is currently the Managing Director of Maldives Hajj Corporation Limited. In addition, Mr Hameed had served at the Board of Directors of Maldives Tourism Development Corporation (MTDC) as a non-Executive and chaired the Audit Committee.

Mr Hameed attained his Bachelors of Science in Accounting and Finance from University of London, UK and had further attained his ACCA Qualification issued by the Association of Chartered Certified Accounts (ACCA) of UK. He is currently a Fellow Member of the Association. He also holds the Certified Internal Auditor (CIA) certification issued by The Institute of Internal Auditors, USA. Furthermore, Mr Hameed engages to participate in various seminars and forums to enhance professional development and continuous learning. He is also a registered auditor holding the Audit Practicing Certificate issued by the Auditor General's Office of the



Ms. Hawwa Shafeea Riza

Non-Executive Director

Ms. Shafeea Riza, is the Managing Partner and co-founder of Riza & Co. LLP. She specializes in corporate and financial services law and through past work experience, is well-versed in legislative drafting. Since becoming a registered lawyer in 2011, she has worked in corporate legal practice and government institutions. She has worked in matters related to arbitration, human rights and international affairs, and in the implementation of the newly enacted criminal procedures. From 2015 to 2017, she also served as a member of the board of directors of the state-owned entity, Waste Management Corporation Ltd (WAMCO).

Ms. Shafeea read law at King's College London and completed Master of Laws in Corporate and Financial Services Law from the National University of Singapore. She also read decision-making and public policy from the Fletcher School of Law and Diplomacy at Tufts University.

Work Experience

- Associate, Raajje Chambers
- Legal Consultant, Ministry of Finance and Treasury
- Part-time Lecturer, Maldives National University
- Senior State Attorney and later as Deputy Counsel General, Attorney General's Office Other Engagements
- Co-Founder and Co-Chairperson, Family Legal Clinic

EXECUTIVE TEAM



Mr. Aimon Jameel

Managing Director

Mr. Aimon Jameel is the first Managing Director of Centurion Plc since the company went public. Refer to profile brief under Board Directors' Profile for additional details on Mr. Jameel.



Mr. Hussain Nizar

Group - COO

Mr. Hussain Nizar performs as COO of Centurion group. Mr. Nizar took over the position during the 1st quarter of financial year 2019 to overlook the company's entire operations and expanding the customer base while tightening the business relationship with them.

Mr. Nizar was one of the leading businessmen in the Maldives before he takes the chair at Centurion. He served as the Director and Shareholder of Marine Coral Maldives Pvt Ltd. During his period the company won President Award for "Biggest exporter" for 6 consecutive years starting from 1997 to 2002.

Also Mr. Nizar was the Founder and Managing Director of Aspac Pvt Ltd which operated as cargo sales agent for Singapore airlines.

After the successful businessman career, Mr. Nizar represented as Director of Maldives Ports Limited and Thilafushi Corporation boards. Also Mr. Nizar was the Chairman of Maldives Ports Limited during the period 2009 – 2012.

Over the years of Mr. Nizar's career, he gained vast experience in port operations, import, export, air freight and sea freight sectors.



Mr. Ahmed Mansoor

Executive Director - Operations

Mr. Ahmed Mansoor has more than 41 years of progressively responsible experience managing as many as 300 employees in two different companies with revenues in excess of approximately MVR 200 million. Mr. Mansoor has led and managed these companies' progress, survival, turn around and growth modes throughout the years.

Among his significant previous positions Mansoor served as general manager of Maldives National Shipping (Maldives Shipping Ltd), national carrier of Maldives in operating 10 to 50 vessels. His 35 years in the company even during tremulous times is testimonial to his dedication, hard work and his capacity to work with a huge team and manage them effectively. His extensive understanding of both port and vessel operation led the company in achieving various targets of the company. Mansoor holds a Diploma from Davar College (Mumbai, India) and has also taken part in a distance program of logistic chain management carried out by Australian Maritime College, Tasmania in 2007.



Mr. Muruthala Musthafa

Company Secretary

Mr. Muruthala Musthafa was appointed as the Company Secretary of Centurion Plc on2016. Mr. Muruthala has over twenty seven (27) years of experience in Tourism and hospitality industry in Maldives. He is currently working in stellar group of Companies (Stellar Holdings Pvt. Ltd) in different activities.



Ms. Hawwa Fazeedha

Chief Accountant / Deputy CFO

Ms. Fazydha is the Chief Accountant of CPLC group and Executive Director of MWT international Pvt. Ltd. She oversees the CPLC groups Financials and overall operation of MWT. She joins the centurion transport solution in December 2013 as an Accountant, was appointed as Chief Accountant of CTS on September 2018, and assumed her current role as the Chief Accountant of the overall group in June 2019 and Executive director as June 2020.

While in this role she is responsible for managing the overall group corporate financials and put her efforts in the business planning of MWT. Prior to joining centurion transport she was an accounts officer in GMR Group handling the purchases to Male' International Airport.

Ms. Fazydha is a qualified Accountant, Association of Chartered Certified Accountant (ACCA – UK)



Mr. Mohamed Aneel

Sr. Manager - Financial Planning Analysis - Deputy CFO

Mr. Aneel Joined Centurion PLC on 26th July 2019 as Financial Planning Analysis (FP&A) Manager taking in charge of business forecasting with a critical eye in trying to spot data anomalies, finance management.

With over 9 years of experience in the related field of financial planning, budgeting, investment management. Etc. He also served in various industries, Tourism, Airline, Pharmaceuticals, Logistics and he was a former Head of Finance of Maldives Integrated Tourism Development Corporation (MITD). Mr Aneel is a qualified Accountant, Association of Chartered Certified Accountant (ACCA – UK) and partly qualified Chartered Financial Analyst (CFA).

KEY MANAGEMENT TEAM



Mr. Zafar Ahmed Zia

General Manager - Freight Forwarding

Having around 25 years of experience in different roles in shipping and freight forwarding's various sectors started his career as shipping professional in 1994 in Karachi Pakistan. Mr. Zafar has been initially assigned to look after documentation and sales, which then advanced to be the responsible of global agents networking and developments, whereas was able to add regional NVOCSS operators such as Min Sheng Lines China, Perma Shipping Lines Singapore, Sea Lloyds Malaysia, Emkay Lines Dubai, Lancer Container Lines Dubai Ceekay Containers Dubai. HCL Logistics (air cargo network of ECU worldwide), Shipco air and World Business network was the attainment on the side of LCL and air freight business.

Zafar Ahmed Zia is holding his bachelor's degree in commerce from University of Karachi Pakistan.



Mr. Ahmed Ijuan

Managing Director (Albereich)

Having 13 years of experience started in service of the government, in first line of defence, protecting the Maldives territorial waters. Collaborating with different sectors with various duties, out of the box is second nature. After serving national duty, he moved to Singapore to pursue an opportunity in the Oil and Gas industry, working as operation manager in the State Oil Company of Maldives. Known for utilizing creativity, leadership, and teamwork to design and execute solutions that create customer value, he was finally promoted to an oil and gas trader. First entrepreneur to design transshipment of oil and gas in a Maldivian joint venture partner with Shell Eastern Petroleum pte ltd and Oil major's in Oil and Gas industry. Upon the completion of government duties, in 2019 his private carrier started and partnered with the Centurion family and founded Albereich International Pte Ltd to diversify its portfolio and retain the transshipment industry with oil and gas segment.



Mr. Philicia Stella

Executive Director Sales (Rohoffe)

Ms.Philicia Stella Machado started her shipping career with M/s Eastern Maritime (Colombo) Ltd., representing Pacific International Lines – PIL (Singapore) in 1993. After gaining her experience and heading the team as a Manager Sales & Marketing for 12 years, in 2005 she joined as a Senior Manager – Sales & Marketing representing MISC Shipping Line (Malaysia) under Malship Group. In 2010 she joined as a Asst.General Manager representing Hanjin Shipping Line (Korea) under McLaren Holdings . Thereafter, she gained experience in freight forwarding & Logistics industry as a General Manager under Freight Liner International pvt Ltd till 2017.

Ms.Philicia Machado had been in the Shipping & Logistics industry for the past 25 years and joined Centurion Transport Solutions in 2018 representing Mediterranean Shipping Company (Switzerland) MSC Shipping Line , Male, Maldives as a Senior Liner Manager. At present she is working as an Executive Director for Rohoffe Pvt Ltd (under Centurion PLC) and General Manager for MSC Shipping Line.

She is a Bachelors of Business Administration - B.B.A (Marketing), Graduate in Chartered Institute of Marketing , CIM - UK (University of Cambridge), ACIM – UK, Master of Business Administration - MBA - UK (University of Bedfordshire).



CURRENT KEY MANAGERS



Ismail Amith
Sr. Manager – HRA



Aishath Riyasha
Assistant Manager
Perishable Logistics

Ali Ahmed
Station Manager – S-ems



**Umniyya Izzath
Hussain**
Manager Business Planning
and Performance



Mohamed Shaheen
General Manager
Centurion Air



Fathimath Yumna
Corporate Secretary



Samaha Saeed
Manager Business
Development Centurion Air

Adam Jamsheed
Assistant Manager Document

DIRECTORS' REPORT

Strategic Direction

The board of Directors (BoD) of Centurion PLC has a vision to operate Centurion PLC as the leading logistic provider in the country and become the international logistic coordinator for the Asian region. Considering this strategic vision, the BoD of Centurion PLC has directed the top management towards the next two-year plan focusing earning acceleration and growth potential focusing local Maldivian market to international trade.

Currently Centurion PLC is the market leader for cargo clearance and supply service along with largest and only perishable supply fleet in the market. Alongside the clearance service, CPLC is the only diversified NVOCC container trader in the market backed by MSC liner representation. Based on these market strengths, the BoD directors has strongly focused on the organic development with international network infrastructure facilitation.

Further to above, the diversification of its logistic business in to the strategic business units is one of salient strategic decision made by the BoD of CPLC. The understanding of the BoD is such a diversification enable respective unit head to independently operate with decision making power to execute each respective SBU's business plan in the market.

Further to above, the BoD has understood the market gap as well as the national requirement of having a proper supply chain network system to the country. As a result of group chairman's business concept, the BoD of CPLC has approved the business plan namely "Supply Chain Network" system to the Maldives.

Further to CPLC economic plan, the BoD is with the intention of working tiple bottom-line sustainable approach considering social, environmental and financial framework approach. Managing director of CPLC has implemented several initiatives such as partnering with other PLC companies for environmental cleaning campaigns, use of renewable energy sources and donation campaigns for voluntary contributions. Among these activities, the BoD has directed to adopt integrated reporting system applying Global Reporting Initiative (GRI) standards for group reporting system.

The BoD has critically analysed the challenges in the market, key attributes of Centurion, capital constraints, skill level of internal human resources in order to provide strategic direction to the top management through "Post IPO Strategic Plan" of CPLC. This strategic direction is the road map for Centurion PLC top management implementing their management role for next two-year head to earning acceleration plan.

Furthermore, the company entered in to an agreement with a software solution provider for the installation of an Enterprise Resources Planning (ERP) system for its core business activities and all support services. This is expected to improve the efficiency of the operational activities.

With a record high number of tourist resorts in the pipeline and construction sector growing, demand for logistics services remains high in the medium to long-term. Additionally, government initiated mega projects targeting transport infrastructure including the expansion of international airports and sea ports

in a fast developing economy magnifies potential for logistic service providers. This, together with our strong clientele of well-established players in trade, tourism and construction industries will support our business expansion and growth that we have envisaged for CPLC.

BUSINESS REVIEW

Turnover Performance

Centurion PLC has reported consolidated revenue of MVR 89,025,865 year ended 31st December 2020. This is 35% decline compare to the last year 2019. Overall business of Centurion PLC group has effected due to COVID19, as a result major revenue contributed company Centurion Transport Solutions (CTS) revenue drop 42% compared to 2019. mainly due to weaker performance in Ocean Freight, Perishable Services and Customs Clearance, although this was partially offset by an improved performance in Ship Handling during the pandemic, compare to 2019 revenue of ship handling revenue under Rohoffe Pvt Ltd increased 85% in 2020 and Rohoffe overall revenue increased 87% in 2020 compared to 2019 performance.

	2020	2019	CHANGES	%
Centurion Transport Solution Pvt Ltd	57,794,785	99,999,496	(42,204,711)	-42%
Centurion Air Pvt Ltd	12,354,754	14,327,083	(1,972,329)	-14%
MWT Logistic International Pvt Ltd	5,510,626	9,627,066	(4,116,440)	-43%
Rohoffe Pvt Ltd	9,031,278	4,840,897	4,190,381	87%
S-Ems Maldives Pvt Ltd	1,642,821	3,623,523	(1,980,702)	-55%
Albereich International Pvt Ltd	2,494,570	2,704,615	(210,045)	-8%
Equatorial Lines Pvt Ltd	197,031	1,363,580	(1,166,548)	-86%
Total Turnover:	89,025,865	136,486,260	(47,460,394)	-35%

Profitability Performance

The group has reported 22% of gross profitability and 2.4% of net loss after tax. EBITDA margin stood 4.2% for the financial year 2019 showing 3% of growth trend. Below diagram shows trend of group performance for last two complete financial years.

KEY INDICATORS	2020	2019	CHANGES	%
GROSS PROFIT	22,182,049	30,006,518	(7,824,469)	-35%
EBITDA	7,238,812	5,477,027	1,761,785	24%
NET PROFIT / (LOSS)	19,342	(3,301,492)	3,320,834	101%

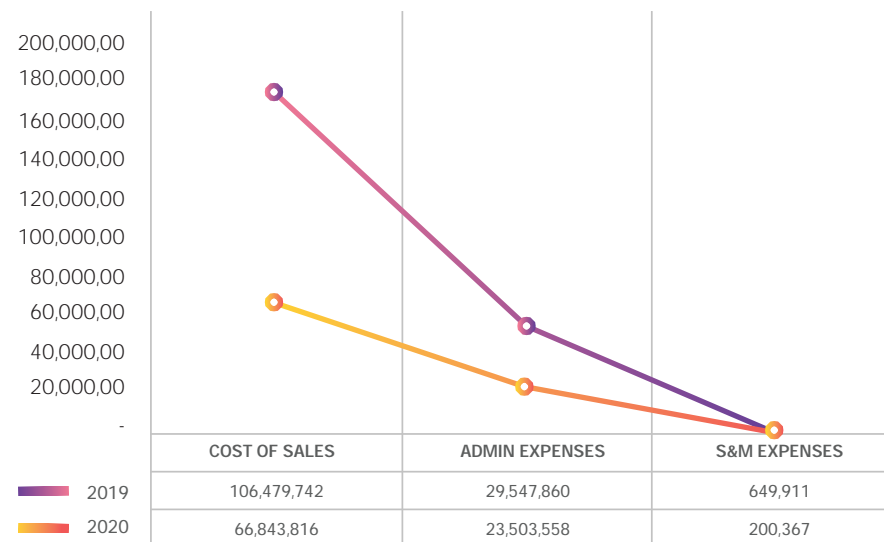
Operating cost structure

Centurion PLC (CPLC) has diversified its business among its 7 (Seven) subsidiary company. During the year 2020 CPLC management has review group administrative expenses by individual companies is a key cost center and implemented several cost cutting measures. Such measures include, Rohoffe working office was moved to CPLC head office building to cut-down the office rent & utilities and operation is ongoing with engaging common staffs from CPLC group. Overall administrative expenses have been reduced MVR 6.04 million in 2020.

In addition, during the COVID19 pandemic, office rent has reduced by 20%, Staff travel is restricted, cut-down marketing budget and work from home system has been implemented. As a result, S&M expenses has reduced to 224% (MVR 449,544) compared to 2019.

Since the company is not engaged long-term debt infusion in to the capital structure, there were no interest capitalizations occurred during the financial year 2020.

Below chart shows operating cost / expenses changes over the period of 2020 and 2019.



KEY INDICATORS

	2020	2019	CHANGES	%
Cos of Sales	-	106,479,742	(39,635,925)	-59%
Admin Expenses	23,503,558	29,547,860	(6,044,302)	-20%
S&M Expenses	200,367	649,911	(449,544)	-224%

Shareholders Structure

The sharholding structure of the company as at 31st December 2019 stood as follows. During the financial year the company has not involved issuing additional share or any capital reductions.

Shareholder	Status	No. of Shares	% owned
Stella Holding Pvt Ltd	Founding member	3,379,786	47.35%
Aimon Jameel	Founding member	3,379,786	47.35%
Abdulla Maumoon	Founding member	70,557	0.99%
Jana Ibrahim	Founding member	70,557	0.99%
Liya Maumoon	Founding member	70,557	0.99%
Mohamed Yaniu Maumoon	Founding member	70,557	0.99%
Muruthala Musthafa	Founding member	100	0.00%
Ismail Amith	Founding member	100	0.00%
Ahmed Mansoor	Founding member	100	0.00%
Ali Ikram	Founding member	100	0.00%
General public holdings	IPO subscribers	95,252	1.34%
Total		7,137,452	100%

Trading Highlights

	2020	2019
Highest Traded Price	MVR 29	MVR 45
Lowest Traded Price	MVR 29	MVR 26
Last Traded Price	MVR 29	MVR 39
Number of Shares Traded	2	8
Number of Trades	1	930
Earning per share	MVR 0	MVR (0.46)
Dividend declared	0	0
Weighted Average Traded Price	MVR 29	MVR 39
Market Capitalization	MVR 206.99 Mn.	MVR 278.36 Mn.

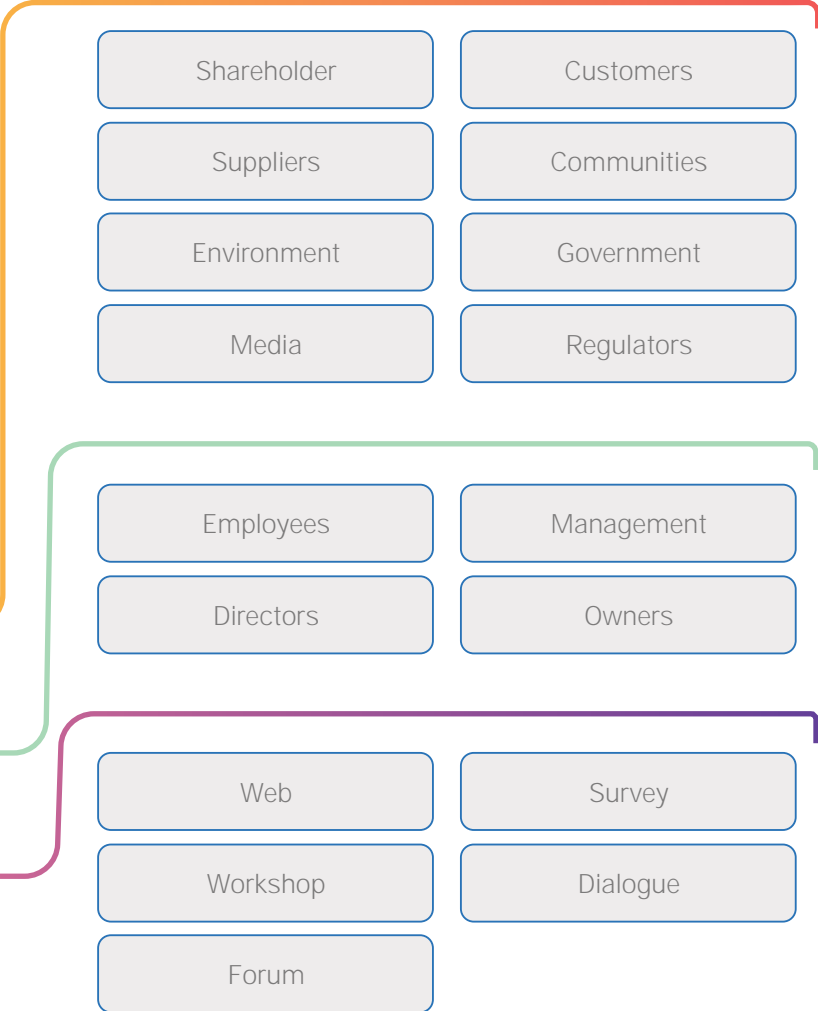
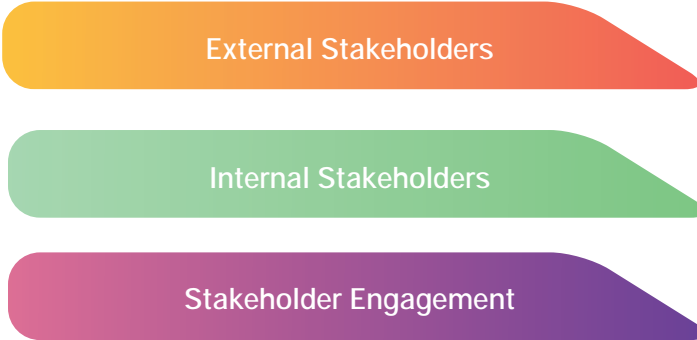
The company's shares were officially listed at the Maldives Stock Exchange and opened for trade on 30 March 2017.

Market Capitalisation

The remarkable performance of the Group was mirrored in its stock performance where your Company yielded a total market capitalization during 2018 and 2019. However, in 2020 company market capitalisation has decreased by 26 % compared to 2019.

STAKE HOLDER ENGAGEMENT

Being responsive to the concerns of our stakeholders, and advancing their interests is integral to our ability to effectively allocate resources and manage the relationships necessary to operate sustainably and achieve our strategic aspirations. We continue to deepen our stakeholder focus and have implemented a coordinated and constructive engagement approach, which informs strategic decision-making at the highest levels of the Group.



STAKE HOLDER VALUE CREATION

The capital structure of the Group as at 31 December 2020 stood as follows. During the financial year the company has not involved issuing additional share or any capital reductions.

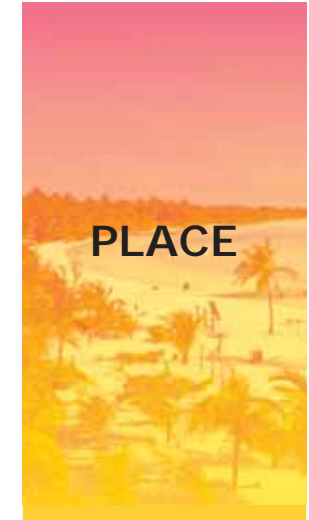
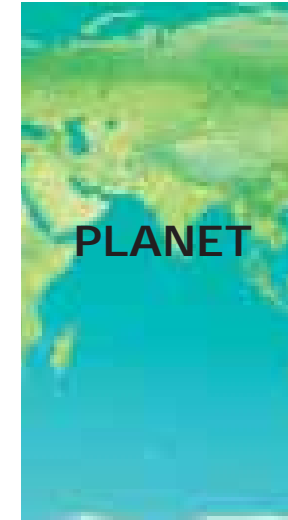
	Capital	Definition	Inputs	Outcomes
External Stakeholders	Financial	Economic resources to fund the business	Equity Capital - MVR 172.8 Mn Debt Capital -MVR 4.13 Mn	Revenue - MVR 89.02 Mn Revenue Growth (35%) Gross Profit Margin 25%
	Manufactured	Infrastructure that generates income	Largest Vessel fleet operator to Maldives economy Largest NVOCC operator in the country International network representation for major networks	End-to-end solutions for the customer Efficient globe transport solutions to local community
Social Dimension	Intellectual	The knowledge and intellectual property people use to gain a competitive advantage and grow the business	Know-how and Competency Investing in ERP Systems and Processes Strategic Partnerships Best Practices	Consistent long-term Returns to shareholders Best in-class experience for customers
	Human	The knowledge, skills, talents and experience of people that determines the capacity of an organisation to accomplish its goals	Recruitment and Retention Remuneration and Benefits Diversity and Inclusion Human Rights Compliance Training and Development Employee Engagement Employee Health, Safety and Well-being	Job Satisfaction Higher Remuneration Better Benefits Opportunities for career growth Share in the intangible benefits associated with corporate growth Better work life balance Ability to upgrade lifestyle
	Social and Relationship	The value an organisation builds through engagement and informationsharing with stakeholders to achieve mutual well-being	Customer Relationship Management Supplier integration Corporate Social Responsibility	Access to the best in-class solutions (customer) Sustainable long-term business relationships (Supplier) Elimination of Social inequalities (Community)
Economic Dimension	Natural	The world's stocks natural ecosystems and assets, including geology, soil, air, water and all forms of life	Energy and Fuel Management through renewable energy system for vessel fleet Avoid elimination of waste to sea Paper & material resource use	Conservation of the environment for future generations



CORPORATE SOCIAL RESPONSIBILITY

Our corporate social responsibility policy is part of the business strategy to achieve sustainability development. We focus on three main areas, People, Planet and Place., Sustainability is integrated into all business decisions, strategies and operations to create values for all our stakeholders.

Our work is surrounded by the belief that the responsibility of the company does not end at maximizing returns for its shareholders. We are continuously to expand our efforts of corporate social responsibility by enhancing employee empowerment and commitment, participating in reduce carbon footprint, promote healthy lifestyle and return in our society.



PEOPLE

People at the heart of operations While we focus on IT and business process optimization, our people are at the heart of our operations. We strive to ensure that they have the tools, training and conditions to perform their best. The COVID-19 crisis has demonstrated that the markets can quickly be disrupted and only the skills of an experienced staff can help addressing that issues that arose from the lockdowns.

Our Group has experienced significant changes and growth over the years, but we still aim to maintain a flat organization with a high degree of local empowerment. We want our staff to be close to the local market and to the customers, and we encourage decisions which are based on sound business acumen and supported by solid data. We work as one company, we centralize back-office functions, and we use standardized systems and workflows – but we always strive to maintain the ownership and responsibility.

Recruitment and retention of talent remain key to the Group's success. We offer clear career-advancing opportunities to talented employees.

COVID 19

The coronavirus pandemic has touched all our lives. Our priority is the wellbeing of our people. Our second is continuity of service for our clients. To ensure the safety of employees and to help reduce transmission, we moved to a policy of managed remote working in mid-March. , Centurion Group provided new or modified resources and benefits to support employees during the initial stages of the pandemic, and to ensure all members could continue to work effectively in a more virtual environment:

- Instituted remote work to mitigate virus spread and keep employees healthy
- Created COVID testing procedures for employees, and notification process where necessary
- Expanded benefits and removed some waiting periods
- Introduced a cross-functional workstream model to prioritize urgent work in providing uninterrupted service.

The companies in the strongest financial position will be best placed to protect their people, serve their clients, and benefit their shareholders during and beyond this period of deep uncertainty. At the end of March, we announced several measures designed to minimize the impact of any downturn on our employees and ensure the Company is well prepared to weather the storm.

We began a comprehensive program of cost reduction and cash conservation measures. We have also modelled a range of revenue declines resulting from the pandemic and, in the most extreme scenarios tested, considered further actions that could be taken to mitigate the impact on cash flow and ensure additional liquidity.

The changes we have made over the last year have made the Company more resilient and more future facing. So far, our diversified customer structure and multichannel approach have proven to be strengths and competitive advantages in the pandemic. Moreover, the pandemic is helping to accelerate the pace of digitalization, which is reflected in the increased demand and use of our online platform launched during the Pandemic. In connection with the pandemic, we see an increased need for more advanced, situation-specific solutions, which we are analyzing and offering.

National and worldwide, authorities have responded with a wide range of measures to this pandemic, which to date has been characterized by outbreak patterns that vary significantly in terms of geography and time. Thanks partly to our locally based business model, we are in a position to deal with the respective situation appropriately. In order to make the best possible use of opportunities arising from the respective situation and to avert potential risks, we temporarily adjust the priorities in our country-specific value creation plans on a case-by-case basis to the benefit of our business.

Overall, our experience during the pandemic has so far confirmed our basic strategy. We are convinced that, thanks to our strategy, we will emerge even stronger from the pandemic.

CORPORATE GOVERNANCE REPORT

Centurion operates in accordance with the Company Law 10/96, Securities Act, Corporate Governance Code (CGC) of the Capital Market Development Authority, Listing Rules of the Maldives Stock Exchange, and the Company's Memorandum of Association and Article of Association.

Centurion strives to uphold highest principles of corporate governance in all its dealings.

Board of Directors

As the governing authority of the Company, the Board undertakes the duties to manage the company responsibility while ensuring sustainable growth and value for its shareholders. The main responsibilities of the Board include: -

- Setting the strategic direction for the Company.
- Advising the Management on pursuing the company's objectives and strategies.
- Making final decision on all major affairs of the Company.
- Approving the Company's policies and financial statements and ensuring compliance
- Safeguarding the rights of the company's stakeholders including its shareholders, employees, customers, suppliers and other stakeholders.

Developing corporate strategies, business and operational plans and budgets and reports may be delegated to the Management by the Board. Such plans and reports will be submitted to the Board for consideration, and implementing these strategies, plans and budgets may also be delegated to the Management to the extent approved by the Board.

Board of Composition

The Board composition is based on the Company's Memorandum and Articles of Association and the shareholding structure. As per the Articles of Association, the Board can have 5-7 members. Of these 7 members, 5 are non-executive members and 2 are executive officers of the Company, which include the Managing Director.

In accordance to Article 40 of the Company's Memorandum and Articles of Association the all the Directors who were not appointed or re-appointed at one of the preceding two Annual General Meeting retired. Seven (7) Board members were appointed at the 3rd Annual General Meeting held on 18th August 2020. Five (5) Members are re-appointments and Two (2) Members are new appointments

The composition of the Board as at 31 December 2020 is as follows:

Name	Status	Date of Appointment	Resignation / Removed date
Mr. Ahmed Maumoon	Non-Executive Director (Chairman)	18 th August 2020	
Mr. Aimon Jameel	Executive Director (Managing Director)	18 th August 2020	
Mr. Abdulla Nafiz	Independent, Non-Executive Director	18 th August 2020	
Dr. Ahmed Ranesh	Independent, Non-Executive Director	18 th August 2020	
Ms. Hawwa Shafeea Riza	Independent, Non-Executive Director	18 th August 2020	
Mr. Hussain Nizar	Executive Director	18 th August 2020	
Mr. Ismail Hameed	Independent, Non-Executive Director	18 th August 2020	
Mr. Abdulla Hassan	Non-Executive Director	4 th August 2016	Resigned 18-August 2020
Mr. Naheez Ahmed Saeed	Independent, Non-Executive Director	24 July 2017	Resigned 18-August 2020

As per the Corporate Governance Code of CMDA, office of the Chairman and the Managing Director are held by two different individuals and are assigned different responsibilities. As such, the role of the Chairperson is to advise the Board and convene Board meetings and annual general meetings. The role of the Managing Director is to implement the decisions of the Board and to manage the day-to-day operations of the Company.

Board Meetings

As the governing authority of the Company, the Board undertakes the duties to manage the company responsibly while ensuring sustainable growth and value for its shareholders. During the year 2020, the board met 7 times. Meeting attended are as follows.

Name	Position	Meetings Attended	% Attended
Mr. Ahmed Maumoon	Chairman	7/7	100
Mr. Aimon Jameel	Managing Director	7/7	100
Mr. Abdulla Hassan	Director	4/4	100
Mr. Abdulla Nafiz	Director	7/6	86
Dr. Ahmed Ranesh	Director	7/6	86
Mr. Naheez Ahmed Saeed	Director	4/2	50
Ms. Hawwa Shafeea Riza	Director	7/5	71
Mr. Hussain Nizar	Director	3/3	100
Mr. Ismail Hameed	Director	3/2	67

Annual General Meeting

The 4th Annual General Meeting of Centurion PLC was held as a virtual AGM on Tuesday, 18th August 2020 at 20:30pm Via Zoom. A total of 43 shareholders attended the AGM.

The following key resolutions were approved:

- Appointed KPMG as external auditors
- Approved Financial Report for the year 2019
- Dividend was not declared

Annual General Meeting

Nomination, Remuneration and Corporate Governance Committee and Audit Committee are the two sub-committees that function within the Board.

The Board ultimately approves all matters presented and discussed at committees. The Company Secretary also functions as the Secretary for committee meetings.

Refer to reports of the respective committees for their mandates and activities.

Board Evaluation

The evaluation of Board of Directors' performance is carried out through a peer evaluation system with the help of an assessment guide which identifies key areas for evaluation. The Directors are evaluated based on the performance of the Board and Committees in terms of Board effectiveness, participation and contribution to decision making and information flow, and accordingly identifies areas for improvement.

Directors' Remuneration

Remuneration for the Board Directors are occasionally reviewed by the Nomination and Remuneration Committee and presented for board approval.

Directors of Centurion PLC are paid a monthly fixed remuneration. No further remuneration is provided to any Committee members or its Chairpersons.

In 2020, a total of MVR 278,000 was paid as remuneration for Directors and Executives of the group.

Other Directorships held by the Board

Name	Directorship
Mr. Ahmed Maumoon	Spectra PLC, Stellar, Supper Supply, Life Support, Maldives Tours
Mr. Aimon Jameel	Spectra PLC
Mr. Hussain Nizar	Spectra PLC

Code of Conduct

The Company's Code of Conduct has been communicated to all staff and board members to ensure that our reputation in the community as a good corporate citizen is maintained. The Code of Conduct sets principles and guidelines to ensure professionalism and ethical behaviour that will garner the support and approval of our valued stakeholders.

Internal Controls

The internal control and risk management systems of the Company are regularly reviewed by the Board. A pragmatic system of internal controls has been maintained in order to protect the resources and interests of the shareholder. The Board relies on the Audit Committee and the Internal Audit Department in discharging its responsibility to establish proper internal controls within the company. Further details on internal controls are discussed in the Audit Committee report.

Internal Audit

Internal Audit Department of the Company carries out internal audits as per the internal audit plan for the year. The Internal Audit Department reports functionally to the Audit Committee and administratively to the Managing Director. Details on internal audit activities are highlighted in the Audit Committee Report and each subsidiaries company level .

External Audit

KPMG was appointed as the external auditors for 2020. The External Auditor was selected by obtaining competitive proposals from qualified services providers.

Communication with Shareholders

It is the objective of the company to provide equal access to information and maintain an open line of communication with shareholders and investors. Our corporate website and a dedicated investor relations webpage ensures that all shareholders are provided with the most up-to-date material information on the Company.

The Company always welcomes feedback from the shareholders; in addition to participation in General Meetings which is the primary platform for shareholder communication, shareholders may also raise concerns and submit queries through the company website, email or letters addressed to the Board. Our dedicated investor relations team ensures that queries from shareholders are resolved in a timely manner.

Mechanism to Raise Concerns

CPLC strives to adhere to all the regulatory framework of a public company. An appropriate mechanism has been implemented to enable employees, management or other stakeholders to raise any concerns that they have, whether on a confidential basis or otherwise, of any non-compliance or fraud or other misdemeanor within the Company.

CORPORATE GOVERNANCE REPORT

Statutory Fees and Taxes

Centurion has paid all fees payable to the pertinent authorities on or before the due dates including company registration fee, annual company fee, annual listing fee, depository fee and taxes to the relevant authorities and regulators.

Declaration by the Board of Directors

As the Board of Directors, we declare that we have discharged our responsibilities to the best of our abilities, and that the information presented in this Annual Report is true and accurate to the best of our knowledge.

Utmost care was taken to ensure compliance with the Corporate Governance Code, Listing Rules, Securities Act and the Company's Act.

Every effort was made to bring success to the Company while ensuring transparency, fairness and diligence in all respects with the ultimate purpose of protecting and promoting shareholder interests.

Financial Statements – The consolidated financial statements consist of the Income Statement, Balance Sheet, Cash Flow Statement, Statement of Changes in Shareholder Equity and Notes to the Consolidated Financial Statements. The financial statements of the year ended 31st December 2019 have been prepared:-

- In accordance with International Financial Reporting Standards;
- Conforming to applicable laws and regulations;
- To provide information that are true and fair; and
- Certified by the Managing Director and Chief Financial Officer, and approved by the Board of Directors

Annual Report – The Annual Report reflects the activities of the Company during past year.

Future Outlook – The Board has reviewed the strategic business plans of the Company, and the Directors are confident that the Company possess the resources to continue the business as a going concern and pursue the objectives set forth in the plans.

Safeguarding Company's Assets – the Board of Directors have engaged an Independent external auditor to review the financial statements, and their impartial opinion and recommendations is welcomed. The Board strives to improve any weaknesses pointed out in the auditors' reports.

Independent Audit– the Board of Directors have engaged an Independent external auditor to review the financial statements, and their impartial opinion and recommendations is welcomed. The Board strives to improve any weaknesses pointed out in the auditors' reports.

Declaration of Interest – The Directors of Centurion Plc confirm that:

- Subject to information disclosed herein, neither the Directors nor any associates had any significant interest, direct or indirect in the equity or debt securities of Centurion Plc or subsidiaries or had any right to subscribe for equity or debt securities of the Company or its subsidiaries.
- There were no contract of significance subsisting during or at the end of the accounting period in which a Director of Centurion Plc or subsidiaries was materially interested, either directly or indirectly.
- Except for those disclosed in the note 33 of the Audited Financials, there were no substantial or material third party transactions, monetary transactions or relationships between the Company and its Directors, the Management, subsidiaries or relatives.

Dividend – In accordance with the dividend policy of the Company, the Board may declare a dividend and present for shareholders' approval in the Annual General Meeting.

On behalf of the Board of Directors,



Ahmed Maumoon
Chairperson



Aimon Jameel
Managing Director



Ismail Hameed
Director

Meetings

The Committee held two meeting during the year. Committee membership and attendance for the year 2020 are as follows:

Name	Position	Meetings Attended	% Attended
Ahmed Maumoon	Chairperson	2/2	100
Mr. Naheez Ahmed Saeed	Member	-	-
Ms. Hawwa Shafeea Riza	Member	2/2	100

Board Appointments

All the shareholders of Centurion PLC have the right to nominate suitable candidates for the position of Board Directors. Once the shareholders nominate candidates, the candidates are evaluated, and shortlisted candidates are called for an interview by the Nominations, Remuneration and Corporate Governance Committee. The names of shortlisted candidates are presented to the shareholders at the AGM to be elected.

Gender Diversity

All the shareholders of Centurion PLC have the right to nominate suitable candidates for the position of Board Directors. Once the shareholders nominate candidates, the candidates are evaluated, and shortlisted candidates are called for an interview by the Nominations, Remuneration and Corporate Governance Committee. The names of shortlisted candidates are presented to the shareholders at the AGM to be elected.

Executive Directors Serving Elsewhere

Managing Director Mr. Aimon Jameel serves on the board of S-EMS Pvt Ltd until the acquisition of S-EMS Maldives Pvt. Ltd. to the Centurion PLC group. He receives no remuneration from S-EMS as a board director of the company.

Remunerations status

During the financial year 2020 total director remunerations and emoluments includes MVR 278,000. The company follows remuneration system directly linked with the performance of top management. Necessary periodic appraisals are conducted by the HR department and process for the approval of board members.

Board Major Decision

- Reviewed and approved cost cutting measures to the group operating cost and overheads during the COVID19 pandemic.
- Reviewed and approved strategic acquisition of Spectra group by CPLC.

Other reporting matters

Given the operating model of the entity, the decision to appoint CEO and Executive directors were taken through internal mechanism adopted through remuneration committee and no external consultation and advertising were made to appoint CEO and any other non-executive directors.

The progress of each meeting and committee decisions are methodically documented through board papers and minutes. The progress of each activities is evaluated prior to beginning of next meeting conducted by the members.

The Nominations, Remuneration and Corporate Governance Committee is satisfied with the activities carried out by the Committee during the past year.

On behalf of Nominations, Remuneration and Corporate Governance Committee,



Ahmed Maumoon
Chairperson

SHAREHOLDER INFORMATION

Director Shareholding

Director Shareholding	Position	No. of Shares
Mr. Aimon Jameel	Executive Director	3,379,786
Mr. Ahmed Maumoon	Non – Executive Director	Nil
Mr. Hussain Nizar	Non – Executive Director	Nil
Mr. Ismail Hameed	Non – Executive Director	Nil
Mr. Abdulla Nafiz	Non – Executive Director	Nil
Dr. Ahmed Ranesh	Non – Executive Director	1000
Mr. Naheez Ahmed Saeed	Non – Executive Director	Nil
Ms. Hawwa Shafeea Riza	Non – Executive Director	Nil

ACKNOWLEDGEMENTS

The Directors take this opportunity to thank all shareholders for their confidence and trust in us. The Directors are indebted to the management and dedicated team of Centurion PLC for their unwavering support during this transformational journey.

The Directors are grateful to the customers, suppliers and partners of the Company for their continued patronage and support.

The Company recognizes the assistance extend by the Ministry of Economic Development, Capital Market Development Authority, Maldives Stock Exchange and Maldives Securities Depository for their support in listing Centurion Plc and the support towards the governance.

BOARD OF DIRECTORS

The board is responsible for maintaining a sound risk management framework and internal control system to safeguard the shareholder's investments and Group's assets, as well as to discharge its leadership responsibility.

In identifying and ensuring the implementation of an appropriate risk management and internal control system to manage those risks in accordance with corporate governance principles.

BOARD SUBCOMMITTEES

Responsible for overseeing the development and implementation of policies relevant to their area of scope, identification of emerging risks and for monitoring the ongoing effectiveness of our procedures.

Audit Committee

The audit committee represents and assists the Board in fulfilling its oversight responsibility relating to the integrity of the company's Financial Statements and the financial reporting process, the system of internal accounting and financial controls, the internal audit functions, the annual independent external audit, the Company's compliance with legal and regulatory requirements, and its policies and ethics established by the Company.

Remuneration & Nomination Committee

The Remuneration & Nomination Committee assists the Board to discharge its responsibility by overseeing remuneration policies and practices of the Company. Committee's main role is-

- To select, or recommend to the Board of Directors for selection, the individuals to stand for election as directors at the annual meeting or, if applicable, a general meeting.
- To oversee the selection and composition of committees of the Board of Directors and, as applicable, oversee management continuity planning processes.

CORPORATE MANAGEMENT

The team reviews operating and financial performance of Group's operational divisions/subsidiaries in accordance with corporate objectives, strategies, policies, key performance indicators and annual budgets as approved by the Board that the Group's risk management and internal control system is operating adequately and effectively, based on the risk management and internal control framework of the Group.

Group Risk Management

The audit committee performs quarterly-based risk management assessments through the Internal Audit Reports and findings of the Company and its subsidiaries and reviews the internal control processes, and evaluates the adequacy and effectiveness of the risk management and internal control system. The Committee also seeks the observations of the Independent External Auditors of the Group.

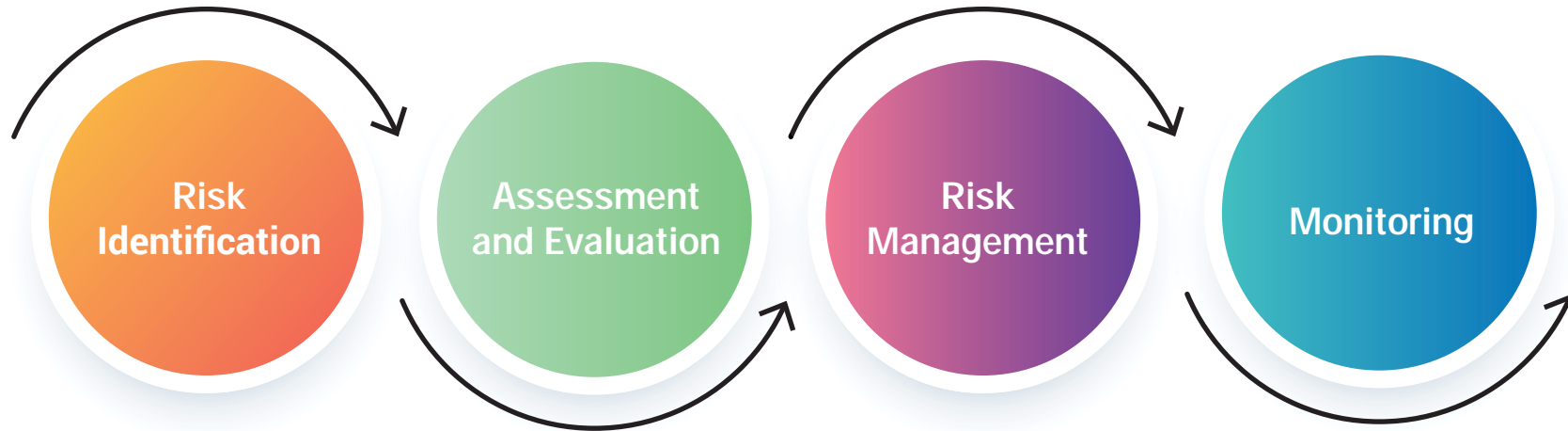
OPERATIONS

Board

The ultimate responsibility for setting the risk appetite for the effective managements of the risk rests with the Board. Acting within the authority delegated by the board, the Audit Committee review specific risk profiles and receives regular reports on risk management, which include the Company's portfolio trends, policies, standards and soundness of internal control, infrastructure and regulatory compliance. These Committees are authorized to investigate or seek any information relating to an activity within the terms of reference.

OUR RISK MANAGEMENT FRAMEWORK

Management Approach



Risk Identification

Risk Identification is the process of determining risks that could potentially prevent the program, enterprise or investment from achieving its objectives. It includes documenting and communicating the concern.

Assessment and Evaluation

Risk notification memo which are standardised across the Group of companies are used to assess and evaluate risks. All identified risks are assessed at three levels (high/medium/low) with reference to the likelihood of occurrence and the potential impact.

Risk Management

Based on the risk factors identified by the internal auditor, the respective functions formulate strategies to curtail and mitigate these risk exposures.

Monitoring

Risks are monitored at multiple levels in the Organization including at functional level, Board Sub Committee and Board level. Identified risks, the risk registers, mitigation plans and performance of each identified risk are evaluated at these levels throughout the year.

Report Of The Nominations, Remuneration And Corporate Governance Committee

The Nominations, Remuneration and Corporate Governance Committee is comprised of 3 members who are non-executive, independent Directors of the Board. The Company Secretary acts as the secretary for Audit Committee.

Mandate

The purpose of the Nominations, Remuneration and Corporate Governance Committee is as follows:

- To select, or recommend to the Board of Directors for selection, the individuals to stand for election as directors at the annual meeting or, if applicable, a general meeting.
- To oversee the selection and composition of committees of the Board of Directors and, as applicable, oversee management continuity planning processes.

The Board of Directors shall determine whether the Committee shall make determinations as a committee or shall make recommendations to the Board of Directors. The rationale behind combining the three functions is to improve efficiency as the Board is relatively small.

Nomination committee mandates and process

- Establish criteria for the selection of new directors to serve on the Board of Directors.
- Identify individuals believed to be qualified as candidates to serve on the Board of Directors and select, or recommend that the Board of Directors select, the candidates for all directorships to be filled by the Board of Directors or by the shareholders at an annual or special meeting. In identifying candidates for membership on the Board of Directors, the Committee may take into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialization, relevant technical skills, diversity, and the extent to which the candidate would fill a present need on the Board of Directors.
- Review and make recommendations to the full Board of Directors, or determine, whether members of the Board should stand for re-election and consider matters relating to the retirement of Board members, including term limits or age caps.
- In the case of a director nominated to fill a vacancy on the Board of Directors due to an increase in the size of the Board, recommend to the Board of Directors the class of directors in which the director-nominee should serve.

- Conduct all necessary and appropriate inquiries into the backgrounds and qualifications of possible candidates. In that connection, the Committee shall have sole authority to retain and to terminate any search firm to be used to assist in identifying candidates to serve as directors of the Company, including sole authority to approve the fees payable to such search firm and any other terms of retention.
- Consider questions of independence and possible conflicts of interest of members of the Board of Directors and executive officers.
- Review and make recommendations, as the Committee deems appropriate, regarding the composition and size of the Board of Directors in order to ensure the Board has the requisite expertise and its membership consists of persons with sufficiently diverse and independent backgrounds.
- Oversee the evaluation, at least annually, and as circumstances otherwise dictate, of the Board of Directors and management.

Remuneration committee mandates

- Analyze, review and propose remuneration packages for Executive Directors and Executives of the Senior Management

In determining the Executive Directors Remuneration, the committee shall assess industry benchmarks and propose packages aiming to retain Executive Directors and Executives of the Senior Management.

Remuneration packages shall be reviewed once in every two years

Committee shall also propose remuneration packages for Non-Executive Directors

Committee shall at all times consider packages that is reflective of performance of the Directors (Performance based packages)

Committee shall ensure disclosure of Directors remuneration in the Annual report

Corporate Governance committee mandates

- To the extent deemed appropriate by the Board of Directors and the Committee, the Committee will do as follows:
- Consider the adequacy of the certificate of incorporation and by-laws of the Company and recommend to the Board of Directors, as conditions dictate, that it propose amendments to the certificate of incorporation and by-laws for consideration by the shareholders.
- Develop and recommend to the Board of Directors a set of corporate governance principles applicable to the Company and keep abreast of developments with regard to corporate governance to enable the Committee to make recommendations to the Board of Directors in light of such developments as may be appropriate.
- Consider policies relating to meetings of the Board of Directors. This consideration may include meeting schedules and locations, meeting agendas, and procedures for delivery of materials in advance of meetings.

AUDIT COMMITTEE REPORT

In compliance with the CGC of CMDA, the Audit Committee is comprised of 3 members who are non-executive Directors of the Board. The Company Secretary acts as the secretary for Audit Committee.

Mandate

The purpose of the Audit Committee is as follows:

- Assist the Board to establish formal and transparent arrangements for considering how they should select and apply accounting policies, financial reporting and internal control principles and maintaining an appropriate relationship with the Company's Auditors.
- Oversee the selection and composition of committees of the Board of Directors and, as applicable, oversee management continuity planning processes.
- The Board of Directors shall determine whether the Committee shall make determinations as a committee or shall make recommendations to the Board of Directors.

Role of the Committee

The purpose of the Audit Committee is as follows:

- To review effectiveness of company's internal risk controls and risk management systems; to monitor the integrity of annual and interim financial statements of the company, the clarity of disclosure and the context in which statements are made;
- To review and challenge where necessary the consistency of, and any changes to, accounting policies;
- To investigate any matter within its terms of reference, full access to and co-operation by Management and full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly;
- To review the internal and external audit functions;
- To evaluate the independence and effectiveness of the work of the external auditors.

Meetings

The Committee held 7 meetings during the year 2020. Committee membership and attendance are as follows:

Name	Position	Meetings Attended	% Attended
Mr. Abdulla Hassan	Chairperson	5/5	100
Mr. Abdulla Nafiz	Member	7/7	100
Dr. Ahmed Ranesh	Member	7/7	100
Mr. Ismail Hameed	Chairperson	2/2	100

Consequent to the AGM, the composition the Audit Committee changed with the new incoming board. Mr. Ismail Hameed was appointed as the Chairperson of the Committee along with re-appointments to the Committee.

Audit Committee is satisfied with the activities carried out by the Committee during the past year.

On behalf of the Audit Committee



Mr. Ismail Hameed
Chairperson,

SUMMARY FINANCIAL INFORMATION

Summerised Statement of Financial Performance

All In MVR

	2020	2019	Changes
	365 Days	365 Days	
Revenue	89,025,865	136,486,260	(47,460,394)
Cost of Sales	(66,843,816)	(106,479,742)	39,635,925
Gross Profit	22,182,049	30,006,518	(7,824,469)
Other Income	2,124,999	42,298	2,082,701
Administrative Expenses	(23,503,558)	(29,547,860)	6,044,302
Sales and Marketing Expenses	(200,367)	(649,911)	449,544
Impairment Loss	390,202	(1,183,394)	1,573,596
Profit/ (Loss) from Operating Activities	993,325	(1,332,349)	2,325,674
Net Finance Income	(1,153,458)	(2,721,973)	1,568,515
Profit/ (Loss) before Tax	(160,133)	(4,054,322)	3,894,189
Tax Expense	179,475	752,830	(573,355)
Profit/ (Loss) - Total Comprehensive Income / (Loss)	19,342	(3,301,492)	3,320,834
Earnings per Share / (Loss per Share) (DPS)	0.00	(0.46)	0.47
Dividend per Share (DPS)	-	0.39	(0.39)
Net Assets per Share	32.47	36.20	(3.73)

Summeriesd Statement of Finacial Position

	2020	2019	Changes
All In MVR	365 Days	365 Days	
Total Assets	231,773,002	258,408,544	(26,635,542)
Equity	172,881,571	172,862,229	19,342
Total Liability	58,891,431	85,546,315	(26,654,884)

Summeriesd Statement of Cash Flow Information

	2020	2019	Changes
All In MVR	365 Days	365 Days	
Operating Activities	4,343,551	9,838,138	(5,494,586)
Investing Activities	(1,174,169)	(1,982,320)	808,151
Financing Activities	(2,969,168)	(7,820,674)	4,851,506

Key Financial Indicators

	2020	2019	Changes
All In MVR	365 Days	365 Days	
GP Margin	25%	22%	3%
NP Margin	0.02%	-2%	2%
EBITDA Margin	8%	4%	4%
EPS (In MVR)	0.003	(0.46)	47%
Dividend (In MVR)	n/a	n/a	n/a
Dividend Yield	n/a	n/a	n/a
Highest Trading Price (In MVR)	29.00	45.00	(16.00)



**INDEPENDENT AUDITORS'
REPORT AND FINANCIAL
STATEMENTS 2020**

CENTURION PUBLIC LIMITED COMPANY
(INCORPORATED IN THE REPUBLIC OF MALDIVES)
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

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**Independent Auditors' Report
To the Shareholders of
Centurion Public Limited Company**

Qualified Opinion

We have audited the accompanying consolidated and separate financial statements of Centurion Public Limited Company (the "Company") and its Subsidiaries (together with the "Group"), which comprise the consolidated and separate statement of financial position as at 31st December 2020, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the consolidated and separate financial statements, comprising a summary of significant accounting policies and other explanatory information set out on pages 6 to 48.

Qualified Opinion – Group

In our opinion, except for the effects of the matter described in the Basis for *Qualified Opinion* section of our report, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31st December 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Qualified Opinion – Company

In our opinion, except for the effects of the matter described in the Basis for *Qualified Opinion* section of our report, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31st December 2020, and its separate financial performance and its separate cash flows for the year then ended in accordance with IFRSs.

Basis for Qualified Opinion - Group

As disclosed in Note 14 to the consolidated financial statements, the carrying value of goodwill is 173,684,747/- as at 31st December 2020. In line with IAS 36- impairment of assets, management is required to assess annually whether goodwill arose on acquisition of subsidiaries is potentially impaired. However, as at the date of our report, the management is yet to complete their assessment of impairment to estimate whether any adjustment is required to the carrying amounts of goodwill recorded in the consolidated financial statements as at 31st December 2020. As a result, we were unable to determine whether any adjustment relating to the carrying value of Goodwill is required in the consolidated financial statements.

Basis for Qualified Opinion - Company

As disclosed in Note 15 to the separate financial statements, the carrying value of investments in subsidiaries is 177,164,898/- as at 31st December 2020. In line with IAS 36- impairment of assets, when the objective evidence of impairment exists, the Company should perform an impairment assessment over its net investment in such companies by comparing its carrying amount to the recoverable amount. However, such assessment is yet to perform by the Company as at 31st December 2020.

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W B Mulla FCA
T J S Raghavan FCA
D S W S Jayaraman FCA
S R J Perera FCA
W S S Jayaraman FCA
H S Jayaraman FCA
H S Jayaraman FCA

W B Mulla FCA
W J C Naidu FCA
W C C Naidu FCA
S A S Jayaraman FCA
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C P Jayaraman FCA
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S T J Jayaraman FCA
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W S S Jayaraman FCA

Basis for Qualified Opinion – Company (Continued)

As a result, we were unable to determine whether any adjustment relating to the carrying value of investment in subsidiaries is required in the separate statement of financial statements.

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the *Auditors’ Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group in accordance with the *International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards)* (“IESBA Code”) together with ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Maldives and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Assessing the expected credit loss for trade receivables

(Refer to the accounting policies and critical accounting estimates, assumptions and judgments in notes 2(e), 4.7 and 16.2 of the consolidated financial statements)

Risk Description	Our Response
<p>As at 31st December 2020, the Group’s gross trade receivable totaled MVR 14,636,929/-, against which loss allowances of MVR 7,033,967/- were recorded. The Group’s loss allowances are based on management’s estimate of the expected credit losses, which is estimated by taking into account ageing of trade receivables and credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.</p> <p>Such assessment involves a significant degree of management judgement due to Covid 19. We identified the loss allowance for trade receivables as a key audit matter because determining the level of loss allowance requires the exercise of significant management judgement.</p>	<p>Our audit procedures included;</p> <ul style="list-style-type: none"> - obtaining an understanding of and assessing the design and implementation of management’s key internal controls relating to credit control, debt collection and estimation of expected credit losses. - assessing, on a sample basis, whether items in the trade debtors’ ageing report were classified within the appropriate ageing bracket by comparing individual items in the report with underlying documentation, which included sales invoices and goods delivery notes. - obtaining an understanding of the key parameters and assumptions of the expected credit loss model adopted by the management, including historical default data and management’s estimated loss rates; - assessing the reasonableness of management’s loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted

	<p>based on current economic conditions and forward-looking information;</p> <ul style="list-style-type: none"> - reperforming the calculation of the loss allowance as at 31st December 2020 based on the Group’s credit loss allowance policies; and - inspecting, on a sample basis, cash receipts from customers subsequent to the financial year end relating to trade receivables balances as at 31 December 2020. - Assessing the appropriateness of the Group’s disclosures in the consolidated financial statements using our understanding obtained from our testing and against the requirements of the International Accounting Standards.
--	--

Other Information

The Board of Directors (the “Board”) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and our auditors’ report thereon. The annual report is expected to be made available to us after the date of this auditors’ report.

Our opinions on the consolidated and separate financial statements do not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board.

Responsibilities of the Board of Directors for the Consolidated and Separate Financial Statements

The Board is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRSs, and for such internal control as the Board determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Board is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.


We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements (Continued)

We also provide the Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is R.W.M.O.W. Duminda B. Rathnadiwakara.



Chartered Accountants

29th April 2021
Male'

CENTURION PUBLIC LIMITED COMPANY
(INCORPORATED IN THE REPUBLIC OF MALDIVES)
CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME


FOR THE YEAR ENDED 31 ST DECEMBER	Note	GROUP		COMPANY	
		Year Ended	Year Ended	Year Ended	Year Ended
		2020 MVR	2019 MVR	2020 MVR	2019 MVR
Revenue	6	89,025,865	136,486,260	-	-
Cost of Sales		(66,843,816)	(106,479,742)	-	-
Gross Profit		22,182,049	30,006,518	-	-
Other Income	7	2,124,999	42,298	-	231,300
Administrative Expenses		(23,503,558)	(29,547,860)	(894,575)	(887,686)
Sales and Marketing Expenses		(200,367)	(649,911)	-	(3,565)
Impairment Reversal / (Loss) on Trade Receivables and Related Parties	16.2	390,202	(1,183,394)	-	-
Profit / (Loss) from Operating Activities		993,325	(1,332,349)	(894,575)	(659,951)
Finance Income	8	1,706,676	198,161	-	-
Finance Costs	8	(2,860,134)	(2,920,134)	-	-
Net Finance cost		(1,153,458)	(2,721,973)	-	-
Loss before Tax	9	(160,133)	(4,054,322)	(894,575)	(659,951)
Tax Benefit	10	179,475	752,830	-	-
Profit / (Loss) (Total Comprehensive Income) for the Year		19,342	(3,301,492)	(894,575)	(659,951)
Profit / (Loss) Attributable to:					
Owners of the Company		33,595	(3,248,877)	-	-
Non-controlling Interest		(14,253)	(52,615)	-	-
		<u>19,342</u>	<u>(3,301,492)</u>		
Earnings Per Share (EPS) / Loss per Share (LPS)					
Basic and Diluted Earnings per Share / (Loss per Share)	11	-	(0.46)	(0.13)	(0.09)
Dividend per Share (DPS)	11.1	-	0.39	-	0.39

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Group and the Company set out on pages 11 to 48. The Report of the Independent Auditors is given on pages I to 5.

CENTURION PUBLIC LIMITED COMPANY
(INCORPORATED IN THE REPUBLIC OF MALDIVES)
CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

AS AT 31 ST DECEMBER	Note	GROUP		COMPANY	
		2020	2019	2020	2019
		MVR	MVR	MVR	MVR
ASSETS					
Non-current Assets					
Property, Plant and Equipment	12	10,345,807	11,644,619	5,885,949	5,919,796
Right-of-Use Assets	13	16,862,069	45,331,168	-	-
Intangible Assets and Goodwill	14	174,081,150	174,107,613	8,314	12,984
Investment in Subsidiaries	15	-	-	177,164,898	177,164,898
Deferred Tax Asset	16.3	2,448,287	1,988,865	-	-
Total Non-current Assets		203,738,213	233,072,665	181,059,161	181,097,278
Current Assets					
Current Tax Asset		418,863	-	-	-
Trade and Other Receivables	16	12,799,668	10,844,293	251,716	246,627
Amounts due from Related Parties	17	4,120,455	3,248,815	157,976	16,053
Amounts due from Directors	18	7,855,849	8,560,782	-	-
Cash and Cash Equivalents	19	2,840,114	2,682,589	71,108	12,517
		<u>28,034,749</u>	<u>25,336,479</u>	<u>480,800</u>	<u>275,197</u>
Total Current Assets		231,773,002	258,408,544	181,539,961	181,372,475
Total Assets		435,511,215	491,481,209	362,599,122	362,469,753
EQUITY AND LIABILITIES					
Equity					
Share Capital	20	178,433,770	178,433,770	178,433,770	178,433,770
Accumulated Losses		(3,634,100)	(5,637,695)	(9,518,829)	(8,624,254)
Equity Attributable to Owners of the Company		174,799,670	172,796,075	168,914,941	169,809,516
Non-controlling Interest		71,901	86,154	-	-
Total Equity		175,511,571	173,882,229	168,914,941	169,809,516
Non-current Liabilities					
Loans and Borrowings	21.2	2,501,844	-	-	-
Lease Liability	22	11,640,378	37,874,375	-	-
Trade and Other Payables	23	13,537,245	16,399,864	-	-
Deferred Tax Liability	16.3	209,107	216,581	-	-
Total Non-current Liabilities		27,454,574	54,490,820	-	-
Current Liabilities					
Loans and Borrowings	21.3	1,308,831	390,081	-	-
Lease Liability	22	4,133,678	6,019,623	-	-
Trade and Other Payables	23	22,973,957	22,555,466	2,672,523	3,156,671
Amounts due to Related Parties	24	1,366,064	-	9,331,747	8,942,538
Amounts due to Directors	25	926,003	1,129,634	610,750	363,750
Current Tax Liabilities		-	481,637	-	-
Bank Overdraft	26	438,324	481,014	-	-
Total Current Liabilities		31,436,857	31,055,495	12,625,020	11,562,959
Total Liabilities		58,891,431	85,546,315	12,625,020	11,562,959
Total Equity and Liabilities		234,403,002	259,428,544	181,539,961	181,372,475

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Group and the Company set out on pages 11 to 48. The Report of the Independent Auditors is given on pages I to 5.


Mr. Mohamed Arif
Deputy Chief Financial Officer

These consolidated and separate financial statements were approved by the Board of Directors and signed on its behalf by:

Name of the Director

Mr. Aimon Jameel

Mr. Ahmed Maumoon

29th April 2021




**CENTURION PUBLIC LIMITED COMPANY
(INCORPORATED IN THE REPUBLIC OF MALDIVES)
CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED 31ST DECEMBER 2020 - GROUP

	Equity Attributable to Owners of the Parent Company			Non Controlling Interest	Total Equity
	Share Capital	(Accumulated Losses) / Retained Earnings	Total Equity		
	MVR	MVR	MVR	MVR	MVR
Balance as at 31 st December 2019	178,433,770	384,829	178,818,599	138,769	178,957,368
Loss (Total Comprehensive Income) for the Year	-	(3,248,877)	(3,248,877)	(52,615)	(3,301,492)
<u>Transactions with Owners of the Company</u>					
Contribution by and Distributions to the owners					
Dividends (Note 20.4)	-	(2,793,647)	(2,793,647)	-	(2,793,647)
Balance as at 31 st December 2019	178,433,770	(5,657,695)	172,776,075	86,154	172,862,229
Balance as at 1 st January 2020	178,433,770	(5,657,695)	172,776,075	86,154	172,862,229
Profit (Total Comprehensive Income) for the Year	-	33,595	33,595	(14,253)	19,342
Balance as at 31 st December 2020	178,433,770	(5,624,100)	172,809,670	71,901	172,881,571

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Group and the Company set out on pages 11 to 48. The Report of the Independent Auditors is given on pages 1 to 5.

CENTURION PUBLIC LIMITED COMPANY
(INCORPORATED IN THE REPUBLIC OF MALDIVES)
CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST DECEMBER 2020 - COMPANY

	Share Capital	Accumulated Losses	Total Equity
	MVR	MVR	MVR
Balance as at 1 st January 2019	178,433,770	(5,170,656)	173,263,114
Loss (Total Comprehensive Income) for the Year	-	(659,951)	(659,951)
Transactions with Owners of the Company			
Distributions to the owners			
Dividends (Note 20.4)	-	(2,793,647)	(2,793,647)
Balance as at 31 st December 2019	178,433,770	(8,624,254)	169,809,516
Balance as at 1 st January 2020	178,433,770	(8,624,254)	169,809,516
Loss (Total Comprehensive Income) for the Year	-	(894,575)	(894,575)
Balance as at 31 st December 2020	178,433,770	(9,518,829)	168,914,941

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Group and the Company set out on pages 11 to 48. The Report of the Independent Auditors is given on pages 1 to 5.

CENTURION PUBLIC LIMITED COMPANY
(INCORPORATED IN THE REPUBLIC OF MALDIVES)
CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER

	Note	GROUP		COMPANY	
		2020 MVR	2019 MVR	2020 MVR	2019 MVR
Cash Flows from Operating Activities					
Loss before tax		(160,133)	(4,054,322)	(894,575)	(659,951)
<i>Adjustments for:</i>					
Gain on De-recognition of Leases	7	(1,397,347)	-	-	-
Interest Expense	8	2,860,134	2,920,134	-	-
Depreciation of Property, Plant and Equipment	12	1,046,317	1,036,786	33,447	800
Depreciation of Right-of-Use Assets	13	5,014,417	5,718,329	-	-
Amortization of Intangible Assets	14	184,755	54,260	4,670	1,167
(Reversed) / Provision for Impairment Loss on Trade Receivable and Related Parties	16.2	(390,202)	1,183,394	-	-
Operating Profit / (Loss) before Working Capital Changes		7,157,941	6,858,581	(856,458)	(657,984)
Changes In:					
Trade and Other Receivables		(1,564,973)	(2,638,946)	(5,089)	(1,512)
Amounts due from Related Parties		(871,640)	285,012	(141,923)	(16,053)
Amounts due from Directors		704,933	(1,630,032)	-	-
Amounts due to Related Parties		1,566,064	-	1,293,209	984,104
Amounts due to Directors		(203,671)	943,369	253,000	240,000
Trade and Other Payables		(1,173,952)	6,867,984	12,090	7,117
Cash Flows generated from Operating Activities		5,614,701	10,685,969	554,829	555,672
Interest paid		(83,224)	(416,663)	-	-
Tax Paid		(1,187,926)	(431,168)	-	-
Net Cash generated from Operating Activities		4,343,551	9,838,138	554,829	555,672
Cash Flows from Investing Activities					
Acquisition of Property, Plant and Equipment	12	(534,146)	(1,397,651)	-	(154,496)
Purchase of Intangible Assets	14	(143,785)	(201,279)	-	(14,151)
Dividend Paid		(496,238)	(383,390)	(496,238)	(383,390)
Net Cash used in Investing Activities		(1,174,169)	(1,982,320)	(496,238)	(552,037)
Cash Flows from Financing Activities					
Loan granted during the Year	21	3,360,071	-	-	-
Loan repayments during the Year	21	(289,477)	(524,832)	-	-
Lease installments paid during the Year	22	(6,039,762)	(7,295,842)	-	-
Net Cash used in Financing Activities		(2,969,168)	(7,820,674)	-	-
Net Increase in Cash and Cash Equivalents		200,214	35,143	58,591	3,635
Cash and Cash Equivalents at the beginning of the Year		2,201,575	2,166,432	12,517	8,882
Cash and Cash Equivalents at the End of the Year	19	2,401,790	2,201,575	71,108	12,517

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Group and the Company set out on pages 11 to 48. The Report of the Independent Auditors is given on pages 1 to 5.

CENTURION PUBLIC LIMITED COMPANY
(INCORPORATED IN THE REPUBLIC OF MALDIVES)
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1. REPORTING ENTITY

1.1 Parent Company

Centurion Public Limited Company (the "Company") is a Company incorporated and domiciled in the Republic of Maldives since 04th August 2016 as a public limited liability company under the Companies Act No. 10 of 1996, with its registered office M.Heenavill, 2nd floor, Buruzu magu, Male', Republic of Maldives. The consolidated financial statements of the Company as at and for the year ended 31st December 2020 comprise the Company and its subsidiaries (together referred as the "Group" and individually as "Group entities").

The Company is engaged in a business of shipping services, freight management, logistic utilization, ship ownership and management services.

The Financial Statement of the Company/Group has been prepared for the year ended 31st December 2020.

1.2 Subsidiaries

Centurion Transport Solutions Private Limited

The Company is engaged in a business of shipping services, freight management, logistic utilization, ship ownership and management services. Its parent and ultimate holding company is Centurion PLC with 99% shareholdings.

Equatorial Lines Private Limited

The Company is engaged in a business of provision of freight handling services. Its parent and ultimate holding company is Centurion PLC with 99.99% shareholdings.

Rohoffe Private Limited

The Company is engaged in a business of provision of freight handling services. Its parent and ultimate holding company is Centurion PLC with 99.99% shareholdings.

MWT Logistic International Private Limited

The Company is engaged in the business of provision of freight handling services and ship handling services. Its parent and ultimate holding company is Centurion Plc with 99.99% shareholdings.

S-EMS Maldives Private Limited

The Company is engaged in the business of provision of freight handling services and ship handling services. Its parent and ultimate holding company is Centurion PLC with 99.99% shareholdings.

Albereich International Private Limited

The Company is engaged in the business of ship to ship transfer operations, OPL services, ship agency work, bunkering of vessels, supply of ship stores, vessel and petroleum inspections and oil and gas trading. Its parent and ultimate holding company is Centurion PLC with 85% shareholdings.

Centurion Air Private Limited

The Company is engaged in business of airline ground handling activities, air freight forwarding, cargo handling and other related services. Its parent and ultimate holding company is Centurion PLC with 99.99% shareholdings.

CENTURION PUBLIC LIMITED COMPANY
(INCORPORATED IN THE REPUBLIC OF MALDIVES)
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
(CONTINUED)

1. REPORTING ENTITY (CONTINUED)

1.2 Subsidiaries (Continued)

Cronus Logistics Private Limited

The Company is engaged in business of providing freight forwarding and logistic. Its parent Company is Centurion Transport Solution Private Limited with 99.99% shareholdings.

Multi Aero Maldives Private Limited

The Company is engaged in business of providing freight forwarding and logistic. Its parent Company is Centurion Air Private Limited with 85% shareholdings.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs").

(b) Basis of Measurement

The consolidated and separate financial statements have been prepared on the historical cost basis, except freehold wooden marine vessels.

Freehold wooden marine vessels are valued at its fair value less accumulated depreciation.

(c) Going Concern Basis of Accounting

The Management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the Financial Statements of the Group continue to be prepared on a going concern basis.

(d) Functional and Presentation Currency

These consolidated and separate financial statements are presented in Maldivian Rufiyaa, which is the Group's functional currency. All financial information presented in Maldivian Rufiyaa has been rounded to the nearest Rufiyaa.

(e) Use of Estimates and Judgements

The preparation of consolidated and separate financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2. BASIS OF PREPARATION

(e) Use of Estimates and Judgements (Continued)

Coronavirus (COVID-19) pandemic

The COVID-19 pandemic and its effect on the global economy have impacted the customers, operations and Group performance. The outbreak necessitated the government to respond at unprecedented levels to protect the health of the population, local economy and livelihoods. Thus, the pandemic has significantly increased the estimation uncertainty in the preparation of these financial statements including, the extent and duration of the disruption to businesses, expected economic downturn, and subsequent recovery.

The significant accounting estimates impacted by these forecasts and associated uncertainties are predominantly related to expected credit losses, fair value measurement, and the assessment of the recoverable amount of non-financial assets. The impact of the COVID-19 pandemic on each of these estimates is discussed further in the relevant notes of these financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

3. BASIS OF CONSOLIDATION

(a) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements comprise the financial statements of the Centurion Public Limited Company and its subsidiaries.

(b) Non-controlling Interest

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

(c) Loss of Control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(d) Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group except for the changes highlighted below due to the adoption of "Definition of a Business".

4.1 Changes in Significant Accounting Policies

The Group has initially adopted Definition of a Business from 1 January 2020. A number of other new standards are also effective from 1 January 2020 but they do not have a material effect on the Group's financial statements.

The Group applied Definition of a Business (Amendments to IFRS 3) to business combinations whose acquisition dates are on or after 1 January 2020 in assessing whether it had acquired a business or a group of assets.

4.2 Transactions in Foreign Currencies

Transactions in foreign currencies are translated to Maldivian Rufiyaa at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies as at the reporting date are translated to Maldivian Rufiyaa at the foreign exchange rate ruling as at that date. Foreign exchange differences arising on translations are recognized in the profit or loss.

Non-monetary assets and liabilities, which are stated at historical cost, denominated in foreign currencies are translated to Maldivian Rufiyaa at the exchange rates ruling at the date of transaction. Non-monetary assets and liabilities, which are stated at fair value, denominated in foreign currencies are translated to Maldivian Rufiyaa at the foreign exchange rates ruling at the dates that the fair value was determined.

4.3 Financial Instruments

i. Recognition and Initial Measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (Unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL (fair value through profit or loss), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and Subsequent Measurement

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI (fair value through other comprehensive income) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.3 Financial Instruments (Continued)

ii. Classification and Subsequent Measurement (Continued)

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial Assets – Business Model Assessment

Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial Assets - Assessment whether Contractual Cash flows are solely Payments of Principal and Interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making assessment, the Group considers:

- Contingent event that would change the amount or timing of cash flows
- Terms that may adjust the contractual coupon rate, including variable – rate features
- Prepayment and extension features and
- Terms that limit the Group's claim to cash flows from specified assets

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.3 Financial Instruments (Continued)

ii. Classification and Subsequent Measurement (Continued)

A prepayment feature is consistent with solely payment of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Financial Assets – Subsequent Measurement and Gains and Losses

Financial Assets at Amortized Cost

These are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

Financial Liabilities – Classification, Subsequent Measurement and Gains and Losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

iii. Derecognition

Financial Assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial Liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognized in profit or loss.

4.4 Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.5 Property, Plant and Equipment

(i) Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold wooden marine vessels are valued at its fair value less accumulated depreciation.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss.

(ii) Subsequent Costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives for the current and comparative periods are as follows:

▪ Plant and Equipment	05 Years
▪ Office and Equipment	05 Years
▪ Furniture and Fittings	05 Years
▪ Motor Vehicles	10 Years
▪ Freehold Marine Vessel	20 Years
▪ Leasehold Marine Vessel	20 Years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. The charge for the depreciation commences from the month in which the property, plant and equipment is available for use.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.6 Intangible Assets and Goodwill

(i) Recognition and Measurement

Intangible assets that are acquired by the Group are stated at cost less accumulated amortization and any impairment losses.

Goodwill arising on the acquisition of subsidiaries is presented with intangible assets. Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

(ii) Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

Amortization is charged to the Profit or Loss on a straight line basis over the estimated useful lives of assets unless such lives are indefinite. Goodwill is not amortised.

The estimated useful lives are as follows:

▪ Computer Software	Over 03 Years
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Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

4.7 Impairment

a) Non-derivative Financial Assets

Financial Instruments and Contract Assets

The Group recognizes loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Group measures loss allowance at an amount equal to the lifetime ECLs, except for the following, which are measured at 12-month ECLs;

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.7 Impairment (Continued)

a) Non-derivative Financial Assets (Continued)

Financial Instruments and Contract Assets (Continued)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

(i) Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls

(ii) Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or being more than 90 days past due;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- It is probable that the borrower will enter bankruptcy or other financial reorganisation; or the disappearance of an active market for a security because of financial difficulties.

(iii) Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.7 Impairment (Continued)

a) Non-derivative Financial Assets (Continued)

Financial Instruments and Contract Assets (Continued)

(iv) Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

b) Non-financial Assets

At each reporting date, the Group reviews the carrying amounts of its non-financial to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4.8 Employee Benefits

(i) Short-term Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.8 Employee Benefits (Continued)

(ii) Defined Contribution Plans

All Maldivian employees of the Group are members of the retirement pension scheme established in the Maldives. Both employer and employee contribute 7% respectively to this scheme of such employees' pensionable wage. Employers' obligation for contribution to pension scheme is recognized as an employee benefit expense in income statement in the periods during which services are rendered by employees.

4.9 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

4.10 Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it transfers control over a good or service to a customer.

The Group generates freight forwarding revenues by purchasing transportation capacity from air, ocean and overland transportation providers and reselling that capacity to customers. Revenue reported in this principal service as well as revenue generated brokerage services as such custom clearance, documentation and arrangement of complex logistic supply movement that are incidental to the principal service. The Group concluded that revenue from the freight forwarding and other project services are recognized over time, using an input method to measure progress towards complete satisfaction of the service except brokerage service that are recognized at the point in time when services are rendered to the customers.

Logistic revenue are recognized at the point in time when the service are rendered to the customers, using an input method to measure progress towards complete satisfaction of the service.

Supply Income arising from dhoni is recognized over time, using an input method to measure progress towards complete satisfaction of the service.

Ship handling Income is recognized over time, using an input method to measure progress towards complete satisfaction of the service.

4.11 Tax Expense

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss.

Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.11 Tax Expense (Continued)

Deferred Tax (Continued)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax rate enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

4.12 Expenses

All expenses incurred in the running of the business and in maintaining the capital assets in a state of efficiency has been charged to the revenue in arriving at profit or loss for the year.

Expenses incurred for the purpose of acquiring, expanding or improving assets of a permanent nature by means of which to carry on the business or for the purpose of increasing the earning capacity of the business has been treated as capital expenses.

4.13 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease

liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.13 Leases (Continued)

i) As a lessee (Continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate, cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an rental amount, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property and lease liabilities in separate line item of the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii) As a lessor

At inception or on modification of a contract that contain a lease component, the Group allocates the consideration of the contract to each lease component on the basis of their relative stand-alone prices.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.13 Leases (Continued)

ii) As a lessor (Continued)

When the Group acts a lessor, it determines at lease inception whether each lease is a finance leases or operating lease.

To classify each lease, the Group makes overall assessment of whether lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then lease is a finance lease, if not then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assess the lease classification of a sub-lease with reference to the right of use asset arising from the head lease, not with reference to underlying asset. If a head lease is a short-term to which the Group applies the exemption described above, then it is classified as a sub-lease as a operating lease.

The Group recognizes lease payments received under operating leases as income on straight-line basis over the lease term.

4.14 Finance Costs and Finance Income

Finance costs comprise interest expense on borrowings and foreign exchange losses. Borrowings costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognized in profit or loss using the effective interest method. Foreign currency gains and losses are reported on a net basis. Interest expense is recognised as it accrues in profit or loss, using the effective interest method.

4.15 Determination of Fair Values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Level – 01

Inputs that are unadjusted quoted market prices in an active market for identical instruments.

Level – 02

Inputs other than quoted prices included within level that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This instruments valued using:

(a.) Quoted market in active markets for similar instruments. (b.) Quoted prices for identical or similar instruments in markets that are considered to be less active, or (c.) Other valuation techniques in which almost all significant inputs are directly or indirectly observable from market data.

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(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.15 Determination of Fair Values (Continued)

Level – 03

Input are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

4.16 New Standard and Interpretations not yet adopted by the Group

A number of new standards are effective for annual periods beginning after 1st January 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements. The following amended standards and interpretations are not expected to have a significant impact on the Group's financial statements.

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- Reference to Conceptual Framework (Amendments to IFRS 3).
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16).
- Covid-19 - Related Rent Concessions (Amendments to IFRS 16).
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37).
- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16).
- Annual Improvements to IFRS Standards 2018–2020

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5 OPERATING SEGMENTS

A. Basis of segmentation

The Group has the following four strategic divisions, which are its reportable segments. These divisions offer different products and services, and are managed separately because they are subject to risk and returns that are different from those of other business segments.

The following summary describe the operations of each reportable segment.

Reportable segments	Operations
Freight and Custom Clearance	Shipping services, freight management, logistic utilization
Ship Ownership	Ship ownership and management services
Ship Handling	Providing husbandry services to ships

The Group's managing director reviews the internal management reports of each division quarterly.

B. Information about reportable segments

For the Year Ended 31st December 2020

	Reportable Segments				Total
	Freight and Custom Clearance	Ship Ownership	Ship Handling	Unallocated	
	MVR	MVR	MVR	MVR	
Segment Revenue	63,322,202	14,096,775	9,635,627	1,971,261	89,025,865
Segment Loss before Tax	(1,662,170)	(370,032)	(252,930)	2,124,999	(160,133)
Finance Income	1,481,273	-	225,403	-	1,706,676
Finance Costs	(62,875)	(2,787,691)	(9,568)	-	(2,860,134)
Segment Assets	40,183,333	8,945,606	6,114,626	176,529,437	231,773,002
Segment Liabilities	42,684,635	9,502,443	6,495,245	209,107	58,891,431

For the Year Ended 31st December 2019

	Reportable Segments				Total
	Freight and Custom Clearance	Ship Ownership	Ship Handling	Unallocated	
	MVR	MVR	MVR	MVR	
Segment Revenue	109,165,106	21,541,333	5,207,935	571,886	136,486,260
Segment Profit before Tax	(3,290,365)	(649,281)	(156,973)	42,298	(4,054,322)
Finance Income	189,138	-	9,023	-	198,161
Finance Costs	(31,118)	(2,887,531)	(1,485)	-	(2,920,134)
Segment Assets	66,192,572	12,961,649	3,157,846	176,096,477	258,408,544
Segment Liabilities	68,616,333	13,439,923	3,273,476	216,582	85,546,315

Basis for Qualified Opinion – Company (Continued)

As a result, we were unable to determine whether any adjustment relating to the carrying value of investment in subsidiaries is required in the separate statement of financial statements.

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the *Auditors’ Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group in accordance with the *International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards)* (“IESBA Code”) together with ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Maldives and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Assessing the expected credit loss for trade receivables

(Refer to the accounting policies and critical accounting estimates, assumptions and judgments in notes 2(e), 4.7 and 16.2 of the consolidated financial statements)

Risk Description	Our Response
<p>As at 31st December 2020, the Group’s gross trade receivable totaled MVR 14,636,929/-, against which loss allowances of MVR 7,033,967/- were recorded. The Group’s loss allowances are based on management’s estimate of the expected credit losses, which is estimated by taking into account ageing of trade receivables and credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.</p> <p>Such assessment involves a significant degree of management judgement due to Covid 19. We identified the loss allowance for trade receivables as a key audit matter because determining the level of loss allowance requires the exercise of significant management judgement.</p>	<p>Our audit procedures included;</p> <ul style="list-style-type: none"> - obtaining an understanding of and assessing the design and implementation of management’s key internal controls relating to credit control, debt collection and estimation of expected credit losses. - assessing, on a sample basis, whether items in the trade debtors’ ageing report were classified within the appropriate ageing bracket by comparing individual items in the report with underlying documentation, which included sales invoices and goods delivery notes. - obtaining an understanding of the key parameters and assumptions of the expected credit loss model adopted by the management, including historical default data and management’s estimated loss rates; - assessing the reasonableness of management’s loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted

	<p>based on current economic conditions and forward-looking information;</p> <ul style="list-style-type: none"> - reperforming the calculation of the loss allowance as at 31st December 2020 based on the Group’s credit loss allowance policies; and - inspecting, on a sample basis, cash receipts from customers subsequent to the financial year end relating to trade receivables balances as at 31 December 2020. - Assessing the appropriateness of the Group’s disclosures in the consolidated financial statements using our understanding obtained from our testing and against the requirements of the International Accounting Standards.
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Other Information

The Board of Directors (the “Board”) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and our auditors’ report thereon. The annual report is expected to be made available to us after the date of this auditors’ report.

Our opinions on the consolidated and separate financial statements do not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board.

Responsibilities of the Board of Directors for the Consolidated and Separate Financial Statements

The Board is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRSs, and for such internal control as the Board determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Board is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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6	REVENUE	GROUP		COMPANY	
		Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR	Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR
	Freight Revenue - Sea	40,288,249	59,477,235	-	-
	Freight Revenue - Air	14,288,255	19,339,524	-	-
	Customs Clearance Revenue - Sea	4,526,625	13,370,241	-	-
	Customs Clearance Revenue - Air	4,219,074	16,978,107	-	-
	Dhoni Supply Revenue	14,096,775	21,541,333	-	-
	Ship Handling Revenue	9,635,626	5,207,934	-	-
	Jet Handling Income	918,995	351,326	-	-
	Cargo Handling Income	9,496	119,020	-	-
	Bond Income	50,402	101,540	-	-
	Other Revenue	992,368	-	-	-
		<u>89,025,865</u>	<u>136,486,260</u>	<u>-</u>	<u>-</u>
7	OTHER INCOME	GROUP		COMPANY	
		Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR	Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR
	Gain on Derecognition of Lease Liability	1,397,347	-	-	-
	Miscellaneous Income	727,652	42,298	-	231,300
		<u>2,124,999</u>	<u>42,298</u>	<u>-</u>	<u>231,300</u>
8	NET FINANCE COST	GROUP		COMPANY	
		Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR	Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR
	Finance Income				
	Foreign Exchange Gain	1,706,676	198,161	-	-
	Finance Costs				
	Interest Expense	(83,224)	(416,663)	-	-
	Interest on Lease Liabilities	(2,776,910)	(2,503,471)	-	-
		<u>(2,860,134)</u>	<u>(2,920,134)</u>	<u>-</u>	<u>-</u>
	Net Finance Cost	<u>(1,153,458)</u>	<u>(2,721,973)</u>	<u>-</u>	<u>-</u>
9	LOSS BEFORE TAX	GROUP		COMPANY	
		Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR	Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR
	<i>Is stated after charging all the expenses including the followings:</i>				
	Depreciation of Property, Plant and Equipment (Note 12)	1,046,317	1,036,786	33,447	800
	Depreciation of Right of Use Assets (Note 13)	5,014,417	5,718,329	-	-
	Amortization of Intangible Assets (Note 14)	184,755	54,260	4,670	1,167
	Directors Remuneration	1,706,816	1,972,119	278,000	280,000
	Office Rent	51,871	254,495	-	-
	Impairment of CWIP (Note 12.1)	764,853	-	-	-
	Personal Expense (Note 9.1)	9,617,731	14,083,934	4,500	18,000

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FOR THE YEAR ENDED 31ST DECEMBER 2020

9	LOSS BEFORE TAX (CONTINUED)	GROUP		COMPANY	
		Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR	Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR
	9.1 Personal Expense				
	Salaries and Wages	9,033,416	13,233,258	4,500	18,000
	Staff Welfare	43,364	187,714	-	-
	Pension Contribution	345,926	311,962	-	-
	Ramazan Allowance	195,025	351,000	-	-
		<u>9,617,731</u>	<u>14,083,934</u>	<u>4,500</u>	<u>18,000</u>
10	TAX EXPENSE	GROUP		COMPANY	
		Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR	Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR
	Current Tax expense (Note 10.1)	138,768	404,788	-	-
	Under Provision in respect of Previous Years	148,653	1,272	-	-
	Recognition of Deferred Tax Asset (Note 10.3)	(459,422)	(1,211,089)	-	-
	(Reversed) / Recognition of Deferred Tax Liability (Note 10.2)	(7,474)	52,199	-	-
		<u>(179,475)</u>	<u>(752,830)</u>	<u>-</u>	<u>-</u>

From 1st January 2020, in accordance with the provisions of the Income Tax Act No. 25 of 2019 and the regulation thereto, the entities in the Group are liable for Income Tax at the rate of 15% on its taxable profits. For 2019, the entities in the Group are liable for income tax as per Business Profit Tax Act No. 5 of 2011 and subsequent amendments and regulations thereto, at the rate of 15% on its taxable profits.

10.1 Reconciliation between Accounting Loss and Taxable Income:

	GROUP		COMPANY	
	Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR	Year Ended 31-Dec-2020 MVR	Year Ended 31-Dec-2019 MVR
Loss before Tax	(160,133)	(4,054,322)	(894,575)	(659,951)
Losses from Subsidiaries (Note 10.1.1)	2,126,910	4,280,480	-	-
Aggregate Disallowable Items	122,074	12,407,748	324,598	283,335
Aggregate Allowable Items	(91,948)	(9,637,136)	(291,998)	(800)
Claim against Accumulated Tax Losses (Note 10.2)	(1,009,282)	(174,219)	-	-
Tax Free Allowance	(62,500)	(123,973)	-	-
Total Taxable Income / (Loss)	<u>925,121</u>	<u>2,698,578</u>	<u>(861,975)</u>	<u>(377,416)</u>
Income Tax @ 15%	<u>138,768</u>	<u>404,788</u>	<u>-</u>	<u>-</u>

10.1.1 This balance includes taxable loss generated from Centurion Public Limited, Centurion Transport Solutions Private Limited, S-EMS Maldives Private Limited, Centurion Air Private Limited, Alberich International Private Limited and MWT Logistics International Private Limited.

10.2 Accumulated Tax Losses

	GROUP		COMPANY	
	31-Dec-2020 MVR	31-Dec-2019 MVR	31-Dec-2020 MVR	31-Dec-2019 MVR
Balance as at 1 st January	11,317,215	8,162,333	3,355,677	2,978,261
Adjustment to the tax loss brought forward	-	(83,333)	-	-
Loss for the Year	4,482,108	3,412,434	861,975	377,416
Claim against Accumulated Tax Losses	(1,009,282)	(174,219)	-	-
Balance as at 31 st December	<u>14,790,041</u>	<u>11,317,215</u>	<u>4,217,652</u>	<u>3,355,677</u>

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10 TAX EXPENSE (CONTINUED)

	GROUP		COMPANY	
	31-Dec-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019
	MVR	MVR	MVR	MVR
Balance as at 1 st January	1,988,865	777,776	-	-
Recognised during the Year	459,422	1,211,089	-	-
Balance as at 31 st December	2,448,287	1,988,865	-	-

Deferred Tax Liability

	GROUP		COMPANY	
	31-Dec-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019
	MVR	MVR	MVR	MVR
Balance as at 1 st January	216,581	164,382	-	-
(Reversed) / Recognized during the Year	(7,474)	52,199	-	-
Balance as at 31 st December	209,107	216,581	-	-

10.4 Deferred Tax Assets of the Group is attributable to the following:

	31-Dec-20		31-Dec-19	
	Temporary Difference	Tax Effect	Temporary Difference	Tax Effect
	MVR	MVR	MVR	MVR
Accumulated Tax Losses	10,572,389	1,585,858	7,961,538	1,194,231
Property, Plant and Equipment	36,437	5,466	4,415	662
Provision for Impairment Loss on Trade Receivable	5,713,077	856,963	4,793,279	718,993
Leases	-	-	499,860	74,979
	16,321,903	2,448,287	13,259,092	1,988,865

10.5 Deferred Tax Liability of the Group is attributable to the following:

	31-Dec-20		31-Dec-19	
	Temporary Difference	Tax Effect	Temporary Difference	Tax Effect
	MVR	MVR	MVR	MVR
Property, Plant and Equipment	1,384,790	207,719	1,401,408	210,211
Intangible Assets	9,262	1,388	42,471	6,370
	1,394,052	209,107	1,443,879	216,581

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10 TAX EXPENSE (CONTINUED)

10.6 Unrecognised Deferred Tax Assets of the Group is attributable to the following:

	31-Dec-20		31-Dec-19	
	Temporary Difference	Tax Effect	Temporary Difference	Tax Effect
	MVR	MVR	MVR	MVR
Property, Plant and Equipment	33,633	5,045	-	-
Accumulated Tax Losses	4,217,652	632,648	3,355,677	503,352
	4,251,285	637,693	3,355,677	503,352

Unrecognised Deferred Tax Assets of the Company is attributable to the following:

	31-Dec-20		31-Dec-19	
	Temporary Difference	Tax Effect	Temporary Difference	Tax Effect
	MVR	MVR	MVR	MVR
Property, Plant and Equipment	33,633	5,045	-	-
Accumulated Tax Losses	4,217,652	632,648	3,355,677	503,352
	4,251,285	637,693	3,355,677	503,352

Deferred Tax Asset has not been recognized in respect of the above item because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

11 EARNINGS PER SHARE (EPS) / LOSS PER SHARE (LPS)

The Group / Company computes basic EPS / LPS data for its ordinary shares. Basic EPS / LPS is calculated by dividing the Profit / (loss) that is attributable to ordinary shareholders of the Group / Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS / LPS determined by adjusting the Profit / (loss) that is attributable to ordinary shareholders of the Group / Company and the weighted average number of ordinary shares outstanding adjusted for the effects of all dilutive potential ordinary shares. The basic EPS / LPS and diluted EPS / LPS of the Group / Company are same during the reporting date.

	GROUP		COMPANY	
	2020	2019	2020	2019
Amounts used as the Numerator:				
Profit / (Loss) for the Year Attributable to Equity Holders of the Group / Company (MVR)	33,595	(3,248,877)	(894,575)	(659,951)
Number of Ordinary Shares used as the Denominator:				
Weighted Average Number of Ordinary Shares (Refer Note 20.1)	7,137,351	7,137,351	7,137,351	7,137,351
Loss per Ordinary Share (MVR)	-	(0.46)	(0.13)	(0.09)

11.1 DIVIDEND PER SHARE (DPS)

	GROUP		COMPANY	
	2020	2019	2020	2019
Gross Dividend for the Year (MVR)	-	2,793,647	-	2,793,647
Weighted Average Number of Ordinary Shares (Refer Note 20.1)	7,137,351	7,137,351	7,137,351	7,137,351
Dividend per Ordinary Share (MVR)	-	0.39	-	0.39

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12 PROPERTY, PLANT AND EQUIPMENT - GROUP

	Plant and Equipment	Office Equipment	Furniture and Fittings	Motor Vehicles	Freehold Marine Vessel	Machineries and Equipment	Total 2020	Total 2019
	MVR	MVR	MVR	MVR	MVR	MVR	MVR	MVR
Cost / Revalued Amount								
Balance as at 1 st January	3,983,827	1,554,249	319,625	452,575	6,695,350	16,803	13,022,429	20,897,540
Reclassification to Right of Use Assets	-	-	-	-	-	-	-	(8,521,968)
Adjusted balance as at 1 st January	3,983,827	1,554,249	319,625	452,575	6,695,350	16,803	13,022,429	12,375,572
Additions during the Year	208,170	160,512	9,557	-	64,330	-	442,569	646,857
Transferred from CWIP	478,873	-	-	-	4,100,664	-	4,579,537	-
Balance as at 31 st December	4,670,870	1,714,761	329,182	452,575	10,860,344	16,803	18,044,535	13,022,429
Accumulated Depreciation								
Balance as at 1 st January	3,224,249	1,079,669	197,099	166,438	1,981,787	3,169	6,652,411	8,808,463
Reclassification to Right of Use Assets	-	-	-	-	-	-	-	(3,192,838)
Adjusted balance as at 1 st January	3,224,249	1,079,669	197,099	166,438	1,981,787	3,169	6,652,411	5,615,625
Charged for the Year	399,436	178,698	52,149	45,257	367,416	3,361	1,046,317	1,036,786
Balance as at 31 st December	3,623,685	1,258,367	249,248	211,695	2,349,203	6,530	7,698,728	6,652,411
Carrying Values								
Balance as at 31 st December 2020	1,047,185	456,394	79,934	240,880	8,511,141	10,273	10,345,807	
Balance as at 31 st December 2019	759,578	474,580	122,526	286,137	4,713,563	13,634		6,370,018
Capital Work In Progress (Note 12.1)							-	5,274,401
							<u>10,345,807</u>	<u>11,644,419</u>

12.1 Capital Work In Progress

Balance as at 1 st January		5,274,401	4,523,607
Additions during the Year		91,577	750,794
Transferred to Property, Plant and Equipment		(4,579,537)	-
Transferred to Intangible Assets		(21,588)	-
Provisions for impairment		(764,853)	-
Balance as at 31 st December		<u>-</u>	<u>5,274,401</u>

12.2 Capital working in progress represents the construction of warehouse project in Male' Industrial Zone - Gulhifalhu Island and a Reefer Container. However, the Company has capitalized the work in progress during the year.

12.3 Freehold Marine Vessel is mortgaged against the loans and borrowings obtained by the Centurion Transport Solutions Private Limited as disclosed under the Note 21.4 to the financial statements.

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12 PROPERTY, PLANT AND EQUIPMENT - GROUP (CONTINUED)

12.4 The Wooden Marine Vessel ("Islander Dhoni" registry no: C8349A-03 10T) was revalued on 4th June 2014 by a qualified Master Mariner with reg no. C-619/2006, "Oceantree Maldives Pvt Ltd" Surveyors and Consultant, Independent Qualified Valuer based in the Republic of Maldives and the revaluation surplus amounting to MVR 3,844,264/- has been recognised in equity.

Further, the Group has reassessed the carrying value of dhoni by using a qualified surveyor as of 31st December 2018 and market of aforesaid dhoni value has not been changed significantly.

The carrying amount that would have been recognised had the assets been carried under the cost model;

	Cost MVR	Accumulated Depreciation MVR	Net Carrying Value MVR	
Wooden Marine Vessel	2,232,814	811,138	1,421,676	
PROPERTY, PLANT AND EQUIPMENT - COMPANY				
	Office Equipment MVR	Marine Vessel MVR	Total 2020 MVR	Total 2019 MVR
Cost				
Balance as at 1 st January	4,000	-	4,000	4,000
Transferred from Capital Work In Progress	-	3,917,662	3,917,662	-
Balance as at 31 st December	4,000	3,917,662	3,921,662	4,000
Accumulated Depreciation				
Balance as at 1 st January	2,266	-	2,266	1,466
Charged for the Year	800	32,647	33,447	800
Balance as at 31 st December	3,066	32,647	35,713	2,266
Carrying Values				
Balance as at 31 st December 2020	934	3,885,015	3,885,949	-
Balance as at 31 st December 2019	1,734	-	-	1,734
Capital Work In Progress (Note 12.5)	-	-	-	3,917,662
			3,885,949	3,919,396

12.5 Capital Work In Progress

Balance as at 1 st January	3,917,662	3,763,166
Additions during the Year	-	154,496
Transferred to Property, Plant and Equipment	(3,917,662)	-
Balance as at 31 st December	-	3,917,662

12.6 Capital Work in Progress was represented the cost incurred by the Company for the construction of the Unicorn Dhoni.

13 RIGHT-OF-USE ASSETS - GROUP

	Building MVR	Leasehold Marine Vessel MVR	2020 MVR	2019 MVR
Cost				
Balance as at 1 st January	5,481,735	48,760,600	54,242,335	-
Recognition of right-of-use asset on initial application of IFRS 16	-	-	-	19,815,533
Transfer from Property, Plant and Equipment	-	-	-	8,521,968
Adjusted balance as at 1 st January	5,481,735	48,760,600	54,242,335	28,337,501
Additions during the year	-	-	-	25,904,834
Adjustment due to rent concession on lease	(96,033)	(3,235,438)	(3,331,471)	-
Derecognised during the Year	-	(22,141,150)	(22,141,150)	-
Balance as at 31 st December	5,385,702	23,384,012	28,769,714	54,242,335
Accumulated Amortization				
Balance as at 1 st January	1,320,440	7,590,727	8,911,167	-
Transfer from Property, Plant and Equipment	-	-	-	3,192,838
Adjusted balance as at 1 st January	1,320,440	7,590,727	8,911,167	3,192,838
Depreciation charge during the year	1,288,122	3,726,295	5,014,417	5,718,329
Derecognised during the Year	-	(2,018,879)	(2,018,879)	-
Balance as at 31 st December	2,608,562	9,298,143	11,906,705	8,911,167
Net Carrying Value	2,777,140	14,085,869	16,863,009	45,331,168

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14 INTANGIBLE ASSETS AND GOODWILL - GROUP

	Goodwill MVR	Computer Software MVR	Total 2020 MVR	Total 2019 MVR
Cost				
Balance as at 1 st January	173,684,747	458,726	174,143,473	173,960,180
Additions during the Year	-	137,124	137,124	183,293
Assets Transferred from Capital Work in Progress	-	228,820	228,820	-
Balance as at 31 st December	173,684,747	824,670	174,509,417	174,143,473
Accumulated Amortization				
Balance as at 1 st January	-	243,512	243,512	189,252
Amortized during the Year	-	184,755	184,755	54,260
Balance as at 31 st December	-	428,267	428,267	243,512
Capital Work In Progress				
Balance as at 1 st January	-	207,652	207,652	189,666
Additions during the Year	-	6,661	6,661	17,986
Transferred to intangible assets	-	(207,232)	(207,232)	-
Write off during the year	-	(7,081)	(7,081)	-
Balance as at 31 st December	-	-	-	207,652
Carrying Value	173,684,747	396,403	174,081,150	174,107,613

14.1 Capital working in progress was represented the installation of Gensoft Logistic ERP system.

INTANGIBLE ASSETS - COMPANY

	Computer Software MVR	Total 2020 MVR	Total 2019 MVR
Cost			
Balance as at 1 st January	14,151	14,151	-
Additions during the Year	-	-	14,151
Balance as at 31 st December	14,151	14,151	14,151
Accumulated Amortization			
Balance as at 1 st January	1,167	1,167	-
Amortized during the Year	4,670	4,670	1,167
Balance as at 31 st December	5,837	5,837	1,167
Net Carrying Value	8,314	8,314	12,984

The purchase cost of freight forwarding software has been recognized as intangible assets and are amortized over a period of three years.

14.2 Impairment Testing for Cash Generating Unit ("CGU") Containing Goodwill

Goodwill acquired through business combinations have been allocated to cash generating units (CGUs) for impairment testing as follows:

	Amount 2020 MVR	Amount 2019 MVR
Net Carrying Value of the Goodwill		
Equatorial Lines Private Limited	194,123	194,123
Centurion Transport solution Private Limited	167,630,751	167,630,751
S-EMS Maldives Private Limited	5,859,873	5,859,873
	173,684,747	173,684,747

As at 31st December 2020, the Group is in the process of assessing the recoverability of carrying amount arose on acquisition of subsidiaries as per "IAS 36 Impairment of Asset". The following information is presented in relation to the way of assessing recoverability of goodwill in previous years. (last impairment assessment was undertaken in 2018)

The recoverable amounts of all CGUs have been determined based on the value in use (VIU) calculation.

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14 INTANGIBLE ASSETS AND GOODWILL - GROUP (CONTINUED)

14.2 Impairment Testing for Cash Generating Unit ("CGU") Containing Goodwill

Accounting Judgements, Estimates and Assumptions

Impairment of Goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use (VIU). The fair value less costs to sell calculation is based on available data from an active market, in an arm's length transaction, of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model based on EBITDA estimations. The cash flows are derived based on the recent approved budgets for the next years and cash flow projections for future years. These cash flow estimations reflect ongoing development of the business as well as historical growth trends of the business model. Cash flow estimations do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the cash generating units, are as follows:

	2020	2019	2018
Discount Rate	-	-	13.20%
Terminal Value Growth Rate	-	-	2%
Inflation	-	-	2% - 2.7%
Budgeted EBITDA Growth Rate	-	-	10 % - 35%

Discount Rate

The discount rate used is the risk-free rate, adjusted by the addition of an appropriate risk premium. In determining the discount rates for each CGU, the entity has considered respective entities capital leveraging structures. Where debt financing is not available, weighted average cost of capital reflects only the cost of equity.

Terminal Value of Growth Rate

Terminal value has been decided based on the maturity level of each CGUs factoring the potential developments and growth rates of the business. Where the business performance indicates reasonable level of maturity, it is assumed 5 year-based terminal value where as 10 year based terminal value is considering for the startup stage of relevant CGUs.

A long-term growth rate into perpetuity has been determined as the lower of the nominal gross domestic product (GDP) rate for the countries in which the CGU operates and the long-term compound annual EBITDA growth estimated by the Management.

Inflation

The basis used to determine the rate assigned to the budgeted cost inflation is the inflation rate based on projected conditions. National inflation rate is used for pricing projections.

Budgeted Earnings Before Interest Tax Depreciation and Amortization ("EBITDA") Growth Rate

Budgeted EBITDA growth rate was based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth by considering most recent rate changes. Revenue growth was projected taking into account the average growth levels experienced over the past years and estimated sales volume and price growth for next five years and ten year where as CGU which it was recently established under the Centurion PLC. It was assumed that revenue lines would grow at a margin above forecast inflation over forecasted period and considering the national GDP growth rate which forecast provided by the International Monetary Fund ("IMF"). The costs are expected to grow inline with Maldivian inflation forecasted provided by IMF and salary related expenses are expected to grow by 5% year-

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15 INVESTMENTS IN SUBSIDIARIES

	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Rohoffe Private Limited	-	-	4,900	4,900
Equatorial Lines Private Limited	-	-	70,000	70,000
Centurion Transport Solutions Private Limited	-	-	176,055,000	176,055,000
S-EMS Maldives Private Limited	-	-	750,000	750,000
MWT Logistics International Private Limited	-	-	99,999	99,999
Albereich International Private Limited	-	-	85,000	85,000
Centurion Air Private Limited	-	-	99,999	99,999
	-	-	177,164,898	177,164,898

16 TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Trade Receivables - Receivables from Outside Customers	11,605,469	12,586,734	-	-
- Receivables from Related Parties (Note 16.1)	3,031,460	2,683,557	-	-
Less: Provision for Impairment Loss of Trade Receivables and Related Parties (Note 16.2)	(7,033,967)	(7,424,169)	-	-
	7,602,962	7,846,122	-	-
Deposits and Prepayment	2,408,206	1,596,407	170,000	170,000
Receivables from Agents	360,000	193,265	-	-
Staff Loans and Advances	330,630	178,675	-	-
Goods and Services Tax ("GST") Receivable	350,733	86,875	81,716	76,627
Other Receivables	1,746,937	942,949	-	-
	12,799,468	10,844,293	251,716	246,627

16.1 Trade Receivables from Related Parties

Life Support Private Limited	634,652	376,355	-	-
Spectra Concepts Private Limited	850,456	850,456	-	-
Spectra Public Limited	1,238,714	1,169,893	-	-
Super Supply Private Limited	215,854	195,069	-	-
Maldives Tours Private Limited	91,784	91,784	-	-
	3,031,460	2,683,557	-	-

16.2 Provision for Impairment Loss on Trade and Related Party Receivables

Balance as at 1 st January	7,424,169	6,240,775	-	-
(Reversal) / Provision made during the Year	(390,202)	1,183,394	-	-
Balance as at 31 st December	7,033,967	7,424,169	-	-

17 AMOUNTS DUE FROM RELATED PARTIES

	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Stellar Holdings Private Limited	948,970	948,970	-	-
Pacmar Shipping - Chennai	765,965	903,285	-	-
Spectra Concepts Private Limited	1,382,565	805,577	-	-
Spectra Public Limited	152,645	126,444	-	-
Life Support Private Limited	-	371,858	-	-
Centurion Logistics (Addu) Private Limited	42,008	40,008	-	-
Centurion Surveyors Private Limited	4,809	4,809	-	-
Albereich International (S) Pte. Limited	687,755	47,864	6,185	-
S-EMS Maldives Private Limited	-	-	16,053	16,053
Royal Yacht Club	44,760	-	44,760	-
Olson Colombo Private Limited	90,978	-	90,978	-
	4,120,455	3,248,815	157,976	16,053

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18 AMOUNTS DUE FROM DIRECTORS	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Mr. Ahmed Maumoon	2,040,431	2,395,828	-	-
Mr. Aimon Jameel	5,779,755	6,129,291	-	-
Mr. Ahmed Ijuan	35,663	35,663	-	-
	<u>7,855,849</u>	<u>8,560,782</u>	<u>-</u>	<u>-</u>

19 CASH AND CASH EQUIVALENTS	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Favorable Balances				
Cash in Hand	681,876	1,281,034	-	-
Balances with Banks	2,158,238	1,401,555	71,108	12,517
	<u>2,840,114</u>	<u>2,682,589</u>	<u>71,108</u>	<u>12,517</u>
Unfavorable Balances				
Bank Overdraft (Note 26)	(438,324)	(481,014)	-	-
Cash and Cash Equivalents for Cash Flow purpose	<u>2,401,790</u>	<u>2,201,575</u>	<u>71,108</u>	<u>12,517</u>

20 SHARE CAPITAL	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Balance as at 1 st January	178,433,770	178,433,770	178,433,770	178,433,770
Balance as at 31 st December	<u>178,433,770</u>	<u>178,433,770</u>	<u>178,433,770</u>	<u>178,433,770</u>

20.1 Movement in Number of Shares	GROUP		COMPANY	
	2020	2019	2020	2019
Balance as at 1 st January	7,137,351	7,137,351	7,137,351	7,137,351
Balance as at 31 st December	<u>7,137,351</u>	<u>7,137,351</u>	<u>7,137,351</u>	<u>7,137,351</u>

20.2 Authorized

The authorized share capital comprises 13,800,000 (2019: 13,800,000) ordinary shares of MVR 25/- each.

20.3 Issued and Fully Paid

The issued and fully paid share capital comprises 7,137,351 (2019: 7,137,351) ordinary shares of MVR 25/- each.

20.4 Dividend and Voting Rights

The holders of ordinary shares are entitled to receive dividends as declared by the Directors of the Company and are entitled to one vote per share at the shareholders' meetings of the Company.

No dividends have been declared by the Directors of the Company for the year ended 31st December 2020 (2019: MVR 2,793,647/-).

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21 LOANS AND BORROWINGS	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Balance as at 1 st January	390,081	914,913	-	-
Loan obtained during the Year	3,360,071	-	-	-
Repayments made during the Year	(289,477)	(524,832)	-	-
Balance as at 31 st December	<u>3,460,675</u>	<u>390,081</u>	<u>-</u>	<u>-</u>

21.1 Sources of Finance

Mr. Ahmed Maumoon and Mr. Aimon Jameel (Note 21.4)	238,151	-	-	-
Bank of Maldives PLC. ("BML") - Covid 19 Relief Loan (Note 21.5)	1,900,000	-	-	-
SME Development Finance Corporation. ("SDFC") (Note 21.6)	1,322,524	390,081	-	-
	<u>3,460,675</u>	<u>390,081</u>	<u>-</u>	<u>-</u>

21.2 Non-current

Mr. Ahmed Maumoon and Mr. Aimon Jameel	-	-	-	-
Bank of Maldives PLC. ("BML") - Covid 19 Relief Loan	1,200,000	-	-	-
SME Development Finance Corporation. ("SDFC")	861,844	-	-	-
	<u>2,061,844</u>	<u>-</u>	<u>-</u>	<u>-</u>

21.3 Current

Mr. Ahmed Maumoon and Mr. Aimon Jameel	238,151	390,081	-	-
Bank of Maldives PLC. ("BML") - Covid 19 Relief Loan	700,000	-	-	-
SME Development Finance Corporation. ("SDFC")	460,680	-	-	-
	<u>1,398,831</u>	<u>390,081</u>	<u>-</u>	<u>-</u>

21.4 Mr. Ahmed Maumoon and Mr. Aimon Jameel

Centurion Transport Solutions Private Limited has obtained a term loan of MVR 2,300,000/- from Mr. Ahmed Maumoon and Mr. Aimon Jameel at an interest rate of 12% per annum. This loan is repayable in 60 monthly installments from the date of disbursement. The loan amount has to be repaid fully in 2021. The loan is secured with a vessel named "Islander" bearing the registration no C8349A-03 10-T own by Centurion Transport Solutions Private Limited.

21.5 Bank of Maldives PLC. ("BML") - Covid 19 Relief Loan

The Group has obtained a long term facility of MVR 2 Mn (1 Mn for Centurion Transport Solution Private Limited and 1 Mn for Centurion Air Private Limited) from BML which interest rate is 6% per annum along with six month grace period and is repayable over a period of 3 years.

21.6 SME Development Finance Corporation. ("SDFC")

The Group has obtained a long term facility of MVR 1,360,071/- (MVR 500,000/- for MWT Logistics International Private Limited, MVR 374,497/- for SEMS Maldives Private Limited, MVR 310,147/- for Albereich International Private Limited and MVR 175,427/- for Rohoffe Private Limited) from SDFC which interest rate is 6% per annum and is repayable over a period of 3 years.

22 LEASE LIABILITY

	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Balance as at 1 st January	43,893,998	2,966,002	-	-
Recognition of right-of-use asset on initial application of IFRS 16	-	19,815,533	-	-
Additions during the year	-	25,904,834	-	-
Interest on lease liability	2,776,910	2,503,471	-	-
Payment of lease liability	(6,039,762)	(7,295,842)	-	-
Derecognised during the Year	(21,444,428)	-	-	-
Adjustment due to rent concession on lease	(3,331,471)	-	-	-
Written down during the year	(75,191)	-	-	-
Balance as at 31 st December	<u>15,780,056</u>	<u>43,893,998</u>	<u>-</u>	<u>-</u>
Non - Current Liabilities	<u>11,646,378</u>	<u>37,874,375</u>	<u>-</u>	<u>-</u>
Current Liabilities	<u>4,133,678</u>	<u>6,019,623</u>	<u>-</u>	<u>-</u>

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22 LEASE LIABILITY (CONTINUED)

22.1 Summary of Leases

Agreement Name	Incremental borrowing rate	Lease start date	Lease end date	Renewal Option	Renewal Option in years	Agreements terminations during the Year
Moonima	12%	26-May-11	25-May-21	N/A	N/A	-
M. Faza	12%	1-Feb-19	31-Jan-24	Yes	1	-
Hudhuma	12%	1-Mar-17	1-Mar-22	Yes	5	-
Saaz -2	12%	18-Aug-16	18-Aug-21	Yes	5	-
Leymaru	12%	23-May-18	23-May-22	Yes	1	-
Princes Khadheeda	12%	1-Aug-19	1-Aug-24	N/A	N/A	1-Apr-20
Thahiyya - 2	12%	3-Sep-19	3-Sep-24	N/A	N/A	1-Apr-20
Dhukuri	12%	10-Sep-19	10-Sep-24	N/A	N/A	1-Apr-20
Maaz	12%	1-Jun-19	31-May-22	N/A	N/A	1-Sep-20
Building Office	12%	1-Mar-18	28-Feb-21	Yes	3	-

22.1.1 Some property leases contain extension options exercisable by the Group up to the same period which was rented before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provided operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

22.1.2 Accordingly, lease modification that change in terms and condition, the Group has remeasured the existing lease liability at the effective date of modification and made the corresponding adjustment to carrying amount of the Right-of-Use-Asset.

22.2 Amount Recognized in the Statement of Comprehensive Income	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Interest on Lease Liabilities	2,776,910	2,503,471	-	-
Expenses relating to leases with less than 12 months	443,371	786,495	-	-
Gain on Derecognition of Lease Liability	(1,397,347)	-	-	-
Depreciation of Right of Use Assets	5,014,417	5,718,329	-	-

22.3 Amount Recognized in the Statement of Consolidated Cash Flows

Total cash outflows for leases	6,039,762	7,295,842	-	-
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23 TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Trade Payables	25,201,551	29,108,362	573,471	565,623
Salary Payable	1,838,039	1,759,316	81,850	81,850
Accrued Expenses	5,478,175	4,391,510	-	-
Advances Received	688,321	369,704	-	-
Goods and Services Tax ("GST") Payable	1,287,914	815,240	-	-
Other Payables	2,017,202	2,509,198	2,017,202	2,509,198
	36,511,202	38,953,330	2,672,523	3,156,671
Non - Current (Note 23.1)	13,537,245	16,399,864	-	-
Current	22,973,957	22,553,466	2,672,523	3,156,671

23.1 This amount is originated from trade transaction. The Management has concluded that the repayment of this balance will not be made in next 12 month period.

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24 AMOUNTS DUE TO RELATED PARTIES

	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Rohoffe Private Limited	-	-	209,490	23,073
MWT Logistics International Private Limited	-	-	102,704	90,981
Equatorial Lines Private Limited	-	-	63,567	63,567
Albereich International Private Limited	-	-	105,663	68,655
Centurion Air Private Limited	-	-	94,448	94,448
Centurion Transport Solutions Private Limited	-	-	8,751,394	7,701,814
Spectra Private Limited	8,481	-	8,481	-
Red Eye Private Limited	100,000	-	-	-
Life Support Private Limited	1,457,583	-	-	-
	1,566,064	-	9,335,747	8,042,538

25 AMOUNTS DUE TO DIRECTORS

	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Mr. Ahmed Maumoon	31,420	515,068	-	-
Mr. Aimon Jameel	68,750	88,306	68,750	68,750
Mr. Abdulla Nafiz	100,000	50,000	100,000	50,000
Ms. Juweyriya Saeed	30,000	30,000	30,000	30,000
Mr. Abdulla Hassan	113,000	75,000	113,000	75,000
Mr. Naheez Ahmed Saeed	113,000	75,000	113,000	75,000
Dr. Ahmed Raneesh	125,000	65,000	125,000	65,000
Mr. Hussain Nizar	231,300	231,300	-	-
Ms. Hawwa Shafceea Riza	60,000	-	60,000	-
Mr. Ismail Hameed	7,000	-	7,000	-
Mr. Ahmed Ijuan	38,523	-	-	-
Mr. Hussain Nasheed	8,010	-	-	-
	926,003	1,129,674	616,750	363,750

26 BANK OVERDRAFT

	GROUP		COMPANY	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
The Mauritius Commercial Bank (Maldives) Private Limited (Note 26.1)	438,324	481,014	-	-
	438,324	481,014	-	-

26.1 The Mauritius Commercial Bank (Maldives) Private Limited

The Centurion Transport Solutions Private Limited has obtained an overdraft credit facility of MVR 450,000 for working capital requirements from Mauritius Commercial Bank (Maldives) Private Limited at an interest rate of 12% per annum. The overdraft facility is secured against personal guarantees and indemnity by the Centurion Transport Solutions Private Limited and it's shareholders.

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27 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

27.2 Financial Risk Management (Continued)

(iii) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and related entities.

Trade and Other Receivables

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at reporting date was:

	GROUP		COMPANY	
	Carrying Amount		Carrying Amount	
	2020	2019	2020	2019
	MVR	MVR	MVR	MVR
Trade Receivables (Gross)	14,636,929	15,270,291	-	-
Staff Loan and Other Receivables	2,077,567	1,121,624	170,000	170,000
Amounts due from Related Parties	4,120,455	3,248,815	157,976	16,053
Amounts due from Directors	7,855,849	8,560,782	-	-
Cash and Cash Equivalents	2,840,114	2,682,589	71,108	12,517
	<u>31,530,914</u>	<u>30,884,101</u>	<u>399,084</u>	<u>198,570</u>

Expected credit loss assessment under IFRS 9

The Group uses an allowance matrix to measure the ECLs of trade receivable. Loss rate are based on actual credit loss experience over past years. These rate are multiplied by scalar factors to reflect difference between economic condition during the period over which historical data has been collected, current condition and Group's view of economic condition of expected lives of the receivables.

The Group incorporates forward looking information in to its measurement of ECL such as GDP growth rate.

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

Probability of default (PD)
Loss given default (LGD)
Exposure at default (EAD)

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

The following table provides information about exposure to credit risk and ECLs for trade receivables as at 31 December 2020.

31 st December 2020	Weighted Average Loss Rate	Gross Carrying Amount	Loss Allowance
		MVR	MVR
Current	0.04%	820,166	329
1-30 days past due	0.15%	3,277,448	4,919
31-60 days past due	0.61%	219,178	1,328
61-90 days past due	3.61%	163,091	5,880
More than 90 days past due	69.13%	10,157,046	7,021,511
		<u>14,636,929</u>	<u>7,033,967</u>

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27 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

27.2 Financial Risk Management (Continued)

Measurement of ECL (Continued)

31st December 2019

	Weighted Average Loss Rate	Gross Carrying Amount MVR	Loss Allowance MVR
1-30 days past due	6.31%	1,766,152	111,388
31-60 days past due	7.28%	2,067,406	150,557
61-90 days past due	10.34%	786,311	81,343
More than 90 days past due	66.48%	10,650,422	7,080,881
		<u>15,270,291</u>	<u>7,424,169</u>

Movements in Allowance for Impairment in Respect of Trade Receivables

The movements of allowance for impairment in respect of trade receivable during the year as follows.

	2020 MVR	2019 MVR
Balance as at 1 st January	7,424,169	6,240,775
Net measurement of loss allowance	(390,202)	1,183,394
Balance as at 31 st December	<u>7,033,967</u>	<u>7,424,169</u>

The Group held bank balance of MVR 2,158,238/- as at 31st December 2020 (2019 - MVR 1,401,555/-). These balances are held with banks that Management believes are of high credit quality and accordingly, minimal credit risk exists.

Receivables from Related Parties

Management believes that there is no credit risk from the recoverables from related parties, because these counterparties are under the common control of the Company's Parent Company who is a financially healthy Company.

(iv) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation.

The following are the contractual maturities of financial liabilities.

Group

31st December 2020

	Carrying Amount MVR	Contractual Cash Flows MVR	0 - 12 Months MVR	1 - 2 Years MVR	2 - 5 Years MVR	Over 5 Years MVR
Financial Liabilities (Non- Derivative)						
Trade and Other Payables	29,056,792	29,056,792	15,519,547	13,537,245	-	-
Loans and Borrowings	3,460,675	3,593,480	1,417,920	1,417,920	757,640	-
Lease Liability	15,780,056	43,689,413	5,815,046	5,796,947	16,975,383	15,102,037
Amounts due to Directors	926,003	926,003	926,003	-	-	-
Amount due to Related Parties	1,566,064	1,566,064	1,566,064	-	-	-
Bank Overdrafts	438,324	438,324	438,324	-	-	-
Total	<u>51,227,913</u>	<u>79,270,076</u>	<u>25,682,904</u>	<u>20,752,112</u>	<u>17,733,023</u>	<u>15,102,037</u>

31st December 2019

	Carrying Amount MVR	Contractual Cash Flows MVR	0 - 12 Months MVR	1 - 2 Years MVR	2 - 5 Years MVR	Over 5 Years MVR
Financial Liabilities (Non- Derivative)						
Trade Payables	33,376,876	33,476,876	17,077,012	16,399,864	-	-
Loans and Borrowings	390,081	390,081	390,081	-	-	-
Lease Liability	43,893,998	61,588,160	9,701,754	9,329,155	24,552,251	18,005,000
Amounts due to Directors	1,129,674	1,129,674	1,129,674	-	-	-
Bank Overdrafts	481,014	481,014	481,014	-	-	-
Total	<u>79,271,643</u>	<u>97,065,805</u>	<u>28,779,535</u>	<u>25,729,019</u>	<u>24,552,251</u>	<u>18,005,000</u>

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27 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

27.2 Financial Risk Management (Continued)

(iv) Liquidity Risk (Continued)

Company

31st December 2020

Financial Liabilities (Non-Derivative)

	Carrying Amount MVR	0-12 Months MVR
Trade and Other Payables	655,321	655,321
Amount due to Related Parties	9,335,747	9,335,747
Amounts due to Directors	616,750	616,750
Total	10,607,818	10,607,818

31st December 2019

Financial Liabilities (Non-Derivative)

	Carrying Amount MVR	0-12 Months MVR
Trade and Other Payables	647,473	647,473
Amount due to Related Parties	8,042,538	8,042,538
Amounts due to Directors	363,750	363,750
Total	9,053,761	9,053,761

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

(v) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(a) Interest rate risk

Profile

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments were:

	GROUP		COMPANY	
	Carrying Amount		Carrying Amount	
	2020 MVR	2019 MVR	2020 MVR	2019 MVR
Fixed Rate Instruments				
Loan and Borrowings	3,222,524	-	-	-
Bank Overdraft	438,324	481,014	-	-

A change of 100 basis point in interest rates would have increased or decreased profit for the year ended 31st December 2020 by MVR 5,215/- (2019 : MVR 4,810/-). This analysis assumes that all other variables remain constant.

(b) Currency Risk

Exposure to Currency Risk

The Group's exposure to foreign currency risk was as follows based on notional amounts:

	2020	2019
	US\$	US\$
Cash and Cash Equivalents	46,356	26,615
Trade Receivables	233,464	853,722
Trade and Other Payables	(1,074,041)	(1,312,720)
Gross Statement of Financial Position Exposure	<u>(794,220)</u>	<u>(432,383)</u>

In respect of the monetary assets and liabilities denominated in US\$, the Group has a limited currency risk exposure on such balances since the Maldivian Rufiyaa is pegged to the US Dollar within a band to fluctuate within ± 20% of the mid-point of exchange rate.

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29 RELATED PARTY DISCLOSURES

29.1 Transactions with Related Companies - Group

Name of the Related Party	Relationship	Nature of the Transaction	Amount	Amount	Balance due from/(to) as at	Balance due from/(to) as at
			2020 MVR	2019 MVR	31-Dec-20 MVR	31-Dec-19 MVR
Stellar Holdings Private Limited	Affiliate Company	Expenses Paid for Settlements Service Provided	-	-	948,970	948,970
Pacmar Shipping - Chennai	Affiliate Company	Expenses Paid for	137,320	142,496	765,965	903,285
Spectra Concepts Private Limited	Affiliate Company	Expenses Paid for Settlements Service Provided	2,047,574 (1,470,586)	863,113 (808,411)	1,382,565 850,456	805,577 850,456
Life Support Private Limited	Affiliate Company	Expenses Paid for Sale Service Provided	- 250,866	- 385,469	(1,457,583) 634,652	371,858 376,355
Centurion Logistics (Addu) Private Limited	Affiliate Company	Expenses Paid for	2,000	-	42,008	40,008
Spectra Public Limited	Affiliate Company	Expenses Paid for Sales Income Received Settlement	3,519 107,203 18,223 (53,970)	- 126,253	152,645 1,238,714	126,444 1,169,893
Centurion Surveyors Private Limited	Affiliate Company	Expenses Paid for Settlements	-	-	4,809	4,809
Albereich International (S) Pte Limited	Affiliate Company	Expenses Paid for Settlements	1,022,622 (388,916)	47,864 -	687,755	47,864
Royal Yacht Club	Affiliate Company	Expenses Incurred	44,760	-	44,760	-
Olson Colombo Private Limited	Affiliate Company	Expenses Incurred	90,978	-	90,978	-
Super Supply Private Limited	Affiliate Company	Service Provided Sale	- 19,912	39,838	215,854	195,069
Red Eye Private Limited	Affiliate Company	Settlements	(100,000)	-	(100,000)	-
Maldives Tours Private Limited	Affiliate Company	Service Provided	-	-	91,784	91,784

Transactions with Related Companies - Company

Name of the Related Party	Relationship	Nature of the Transaction	Amount	Amount	Balance due from/(to) as at	Balance due from/(to) as at
			2020 MVR	2019 MVR	31-Dec-20 MVR	31-Dec-19 MVR
Centurion Transport Solutions Private Limited	Subsidiary Company	Expenses Incurred Settlement	- (1,124,480)	35,000 (960,919)	(8,751,394)	(7,701,814)
Rohoffe Private Limited	Subsidiary Company	Expenses Incurred Settlement	- (186,417)	- (26,643)	(209,490)	(23,073)

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29 RELATED PARTY DISCLOSURES (CONTINUED)

Transactions with Related Companies - Company (Continued)

Name of the Related Party	Relationship	Nature of the Transaction	Amount	Amount	Balance due from/(to) as at	Balance due from/(to) as at
			2020 MVR	2019 MVR	31-Dec-20 MVR	31-Dec-19 MVR
MWT Logistics International Private Limited	Subsidiary Company	Expenses Incurred Settlement	- (11,723)	- 9,018	(102,704)	(90,981)
Equatorial Lines Private Limited	Subsidiary Company	Expenses Incurred	-	(63,567)	(63,567)	(63,567)
Albereich International Private Limited	Subsidiary Company	Expenses Incurred Settlement	- (37,008)	(68,655) -	(105,663)	(68,655)
Centurion Air Private Limited	Subsidiary Company	Expenses Incurred Settlement	-	(94,448)	(94,448)	(94,448)
Spectra Private Limited	Subsidiary Company	Expenses Incurred Settlement	(8,481)	-	(8,481)	-
S-EMS private Limited	Subsidiary Company	Expenses Incurred Settlement	-	-	16,053	16,053
Albereich International (S) Pte. Limited	Subsidiary Company	Expenses Incurred Settlement	- 6,185	-	6,185	-
Royal Yacht Club	Subsidiary Company	Expenses Incurred	44,760	-	44,760	-
Olson Colombo Private Limited	Subsidiary Company	Expenses Incurred	90,978	-	90,978	-

29.2 Transactions with Key Management Personnel - Group

Name of the Director	Relationship	Nature of the Transaction	Amount	Amount	Balance due from/(to) as at	Balance due from/(to) as at
			2020 MVR	2019 MVR	31-Dec-20 MVR	31-Dec-19 MVR
Mr. Ahmed Maumoon	Director	Expenses Paid for Settlements	296,047 (252,360)	1,027,223 (321,813)	2,009,011	1,880,760
Mr. Aimon Jameel	Director	Expenses Paid for Settlements	- (277,284)	687,206 (76,326)	5,711,005	6,040,985
Mr. Ahmed Ijuan	Director	Expenses Paid for Settlements	-	35,663	35,663	35,663
Mr. Abdulla Nafiz	Director	Salaries Settlements	60,000 (10,000)	60,000 (10,000)	(100,000)	(50,000)
Mr. Juweyriya Saeed	Director	Salaries Settlements	-	25,000	(30,000)	(30,000)
Mr. Abdulla Hasan	Director	Salaries Settlements	-	60,000	(113,000)	(75,000)
Mr. Naheez Ahmed Saeed	Director	Salaries Settlements	-	60,000	(113,000)	(75,000)
Dr. Ahmed Raneesh	Director	Settlements	60,000	60,000 (10,000)	(125,000)	(65,000)
Me. Hussain Nazar	Director	Settlements	-	(231,000)	(231,300)	(231,300)

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29 RELATED PARTY DISCLOSURES (CONTINUED)

Transactions with Key Management Personnel - Group (Continued)

Name of the Director	Relationship	Nature of the Transaction	Amount	Amount	Balance due from/(to) as at	Balance due from/(to) as at
			2020 MVR	2019 MVR	31-Dec-20 MVR	31-Dec-19 MVR
Mr. Aimon Jameel	Director	Settlements	(60,000)	-	(60,000)	-
Mr. Abdulla Nafiz	Director	Salaries Settlements	(22,000) 15,000	-	(7,000)	-
Mr. Abdulla Hassan	Director	Settlements	(38,523)	-	(38,523)	-
Mr. Juweyriya Saeed	Director	Settlements	(8,010)	-	(8,010)	-

As explained in Note No 21 Mr. Ahmed Maumoon and Mr. Aimon Jameel has granted a loan to Centurion Transport Solutions Private Limited.

Transactions with Key Management Personnel - Company

Name of the Director	Relationship	Nature of the Transaction	Amount	Amount	Balance due from/(to) as at	Balance due from/(to) as at
			2020 MVR	2019 MVR	31-Dec-20 MVR	31-Dec-19 MVR
Mr. Aimon Jameel	Director	Settlements	-	-	(68,750)	(68,750)
Mr. Abdulla Nafiz	Director	Salaries Settlements	60,000 (10,000)	60,000 (10,000)	(100,000)	(50,000)
Mr. Abdulla Hassan	Director	Settlements	(38,000)	60,000	(113,000)	(75,000)
Mr. Juweyriya Saeed	Director	Settlements	-	25,000	(30,000)	(30,000)
Mr. Naheez Ahmed Saeed	Director	Settlements	(38,000)	60,000	(113,000)	(75,000)
Dr. Ahmed Raneesh	Director	Settlements	(60,000) -	60,000 (10,000)	(125,000)	(65,000)
Ms. Hawwa Shafeca Riza	Director	Settlements	(60,000)	-	(60,000)	-
Mr. Ismail Hameed	Director	Settlements	(22,000) 15,000	-	(7,000)	-

29.3 Emoluments to Key Management Personnel - Group

The Board of Directors of the Group are the members of the key management personnel. The Group has paid an amount of MVR 1,706,816/- as remuneration to the key management personnel during the year ended 31st December 2020 (2019: MVR 1,972,119/-).

29.4 Emoluments to Key Management Personnel - Company

The Board of Directors of the Group are the members of the key management personnel. The Company has paid an amount of MVR 278,000/- as remuneration to the key management personnel during the year ended 31st December 2020 (2019: MVR 280,000/-).

30 COMMITMENTS

	31-Dec-20 MVR	31-Dec-19 MVR
Approved and Contracted		
ERP Implementation Project	-	207,652

Other than above there were no material capital commitments approved or contracted as at the reporting date.

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31 CONTINGENT LIABILITIES

There were no contingent liabilities which require disclosure in the financial statements as at the reporting date.

32 COMPARATIVE FIGURES

Comparative information of the financial statements have been reclassified wherever appropriate to confirm with current period's classifications.

33 EVENTS AFTER THE REPORTING DATE

On 1st January 2021, the Group has announced and acquired the shares of Spectra Private Limited for a consideration of MVR 3,294,779/-.

Except for the above, no circumstances have arisen since the reporting date which require adjustments to / or disclosure in the financial statements.

34 IMPACT DUE TO THE COVID - 19

COVID-19 has brought with it considerable uncertainty for business in Maldives. With the rapid development of the virus in many countries, including Maldives, health authorities have introduced measures to manage the spread of the virus including requiring entities to limit or suspend business operations.

The impact on business units of the Group has varied from March 2020 till date. The perishable logistics operations were affected adversely. The resorts which this service is depended on was shut down and the perishable logistics had to be scaled down by 70%. The freight division was continuing to do business during the year.

Logistics - logistics customers are resorts and projects, as per the HPA and government implementation of national health emergency, these two sectors are almost shutdown which is effecting Centurion revenue.

Freight - Worldwide, many countries are under "lockdown" the low demand for import reduce was major revenue drop.

The Group is yet to assess the impairment testing over Goodwill in consolidated financial statements and investment in subsidiaries in separate financial statements. Further, the key variable used for the assessment such as freight revenue, no of logistic handling, no of ship handling and etc. was impacted as given above. Even it is difficult to obtain a reasonable assessment due to current condition in country and the global market, the Group will expect the positive future cash flows with recent progress of tourism sector which will be a positive insight for other industries.

To remedy the adverse effects of the business, aggressive cost cutting measure were implemented along with a differed pay scheme to mitigate the cashflow. As such the group was able to reduce administrative and operating costs which resulted in positive impact in liquidity and manage group operations in this pandemic.

The Group is closely monitoring the liquidity position of all subsidiaries and is availing itself of the concessions granted by lending institutions to certain sectors, while servicing other existing debt requirements and managing the working capital.

35 GOING CONCERN

Management continues to have a reasonable expectation that the Group has adequate resources to continue in operation for at least the next 12 months and that the going concern basis of accounting remains appropriate. The outbreak of the COVID-19 pandemic and the measures adopted by the authorities in the Republic of Maldives to mitigate its spread have impacted Maldives' economy and the Group operations, such as travel restrictions, lockdown and quarantine measures. These measures required the Group to temporary shut down its operation during 2020. This has negatively impacted the Group financial performance during the year and also its liquidity position.

Management of the Group has been closely monitoring the potential impact of the COVID 19 developments on the Group operations and financial position including possible loss of revenue and impairment of property and equipment, intangible assets etc. The Group has also put in place contingency measures, which include, but are not limited to enhancing and testing of business continuity plans including its liquidity requirements. Based on their assessment, The Management is of the view that the Group will continue as a going concern entity for the next 12 months from the date of these financial

36 DIRECTORS' RESPONSIBILITIES

The Board of Directors of the Group is responsible for preparation and presentation of these financial statements.

CORPORATE INFORMATION

Name of the Company

Centurion Public Limited Company

Company Registration Number

C-0750/2016

Legal Form

A public listed company with limited liability, incorporated in the Republic of Maldives under the Company's Act 10/1996 on 4 August 2016.

Ordinary shares of the company are listed in Maldives Stock Exchange as of 30 March 2017.

Company Secretary

Mr. Muruthala Musthafa
Phone: +960 330 9668
Mobile: +960 777 2097

Contact Information

Registered address of the company

Faamudheyriige – 8 A, Orchid Magu
Male' 20209, Rep. of Maldives

Head Office:

Centurion Plc

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Fax: +960 332 1367
Email: info@centurion.mv
Website: www.centurion.mv

Auditors

KPMG Maldives (Chartered Accounts)
H. Mialani, Sosun Magu,
Male', Republic of Maldives

Valuation consultants

Ernst & Young
G. Shafag #2A - 2B, Rahdhebai Magu,
Male', Maldives

Bankers

- Bank of Maldives Plc, Male'
- The Mauritius Commercial Bank, Male'
- State Bank of India, Male'
- Habib Bank Limited, Male'
- Bank of Ceylon, Male'
- Commercial Bank of Maldives, Male'
- Maldives Islamic Bank

Investor relations

Further queries regarding the Investor related should be addressed to the corporate secretary, Centurion PLC at corporate.affairs@centurion.mv

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