

# Annual Report 2024



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## JOINT STATEMENT BY

# Chairperson and Chief Executive Officer



As we reflect on 2024, it is evident that this has been a transformative year for Maldives Ports Limited. The call for a greener, more resilient, and future-ready port ecosystem has grown louder, and we are proud to say that MPL has not only listened—but has acted decisively.

This year, we made significant strides in reinforcing our role as a vital enabler of the national economy. With trade volumes steadily growing and tourism reaching new heights, our operational capacity, agility, and service standards have evolved in tandem. In line with

our commitment to the Maldives' broader development goals, we have deepened our collaboration with government institutions, industry stakeholders, and international partners. Our focus remains clear: to deliver safe, efficient, and cost-effective cargo handling, year-round.

Sustainability has been at the heart of our 2024 agenda. From introducing green port initiatives and energy-efficient technologies to investing in smarter digital infrastructure, we have laid the foundation for a low-carbon and innovation-driven future. This

transformation is not only about infrastructure, it is about mindset. Our teams across ports and terminals continue to champion safety, inclusivity, and service excellence, even in the face of resource constraints and evolving global challenges.

We are proud to report that MPL has retained its position among the top state-owned enterprises in governance and transparency, as recognized by the Privatization and Corporatization Board. This accomplishment reflects the strength of our governance systems, our commitment to Enterprise Risk Management, and the successful digital transformation of our financial, operational, and resource management frameworks.

Our redefined brand identity now stands as a symbol of trust, progress, and national pride. We are

not just building ports; we are anchoring national recovery, resilience, and growth. Through enhanced connectivity, maritime logistics, and operational readiness, MPL continues to support the Maldives' economic diversification and global integration.

As we look to 2025, our resolve remains stronger than ever. We envision a world-class port system that positions the Maldives as a strategic maritime hub in the Indian Ocean—one that bridges continents, empowers communities, and upholds sustainability at its core.

Together, we are not only moving cargo—we are moving the nation forward.



**Ms. Aminath Hameed**

Chairperson



**Chief Executive Officer**

# Section 1. About the Report

## About Maldives Ports

Maldives Ports Limited (MPL), the former Maldives Ports Authority (MPA), was formed by Presidential decree with the mandate to develop, manage and operate the ports of Maldives. Under this decree, Malé Commercial Harbour was relocated from the area now known as 'Jumhooree Maidhaan' to its current location on 15th September 1986. The first ever cargo vessel to arrive at Malé Commercial Harbour was M.V. Ruthuris, which arrived with 38 containers on 10th January 1989.

Maldives Ports Limited (MPL) was incorporated on 31st July 2008 as a 100% government owned company under the Company's Act of Maldives. The core purpose of the company is to ensure the efficient management and operation of government owned ports and port facilities in the Maldives.

MPL is the primary backbone for importation and exportation of manufactured goods between the Maldives and international destinations. As a commercial service provider, the key business approach of MPL is to fast-track our services without compromising time and quality. The challenge lies in keeping pace with the dynamic and evolving business environment and identifying opportunities that strengthen the economy and cultivate sustainable commercial development.

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### Vision

Your World-Class Port in the Indian Ocean, bridging the East and West.



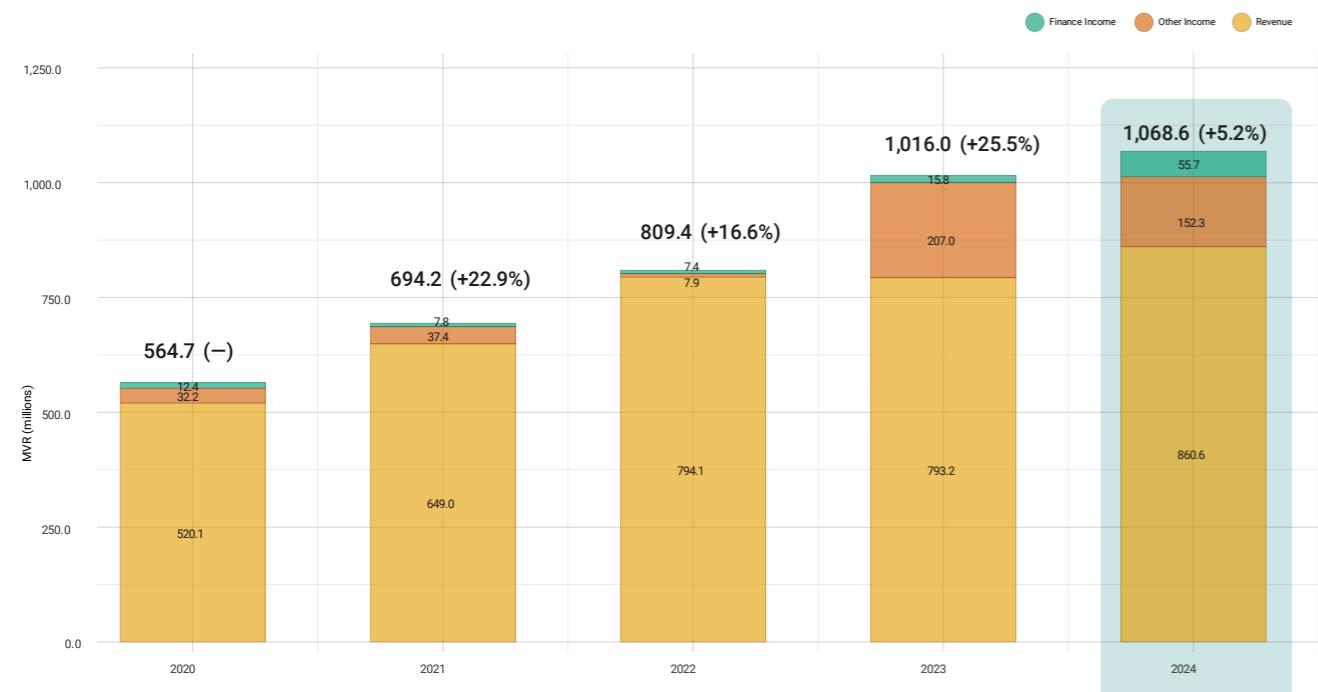
### Mission

Providing safe, efficient and reliable port services through innovation, sustainable best practices and stakeholder engagement.

# Financial Highlights

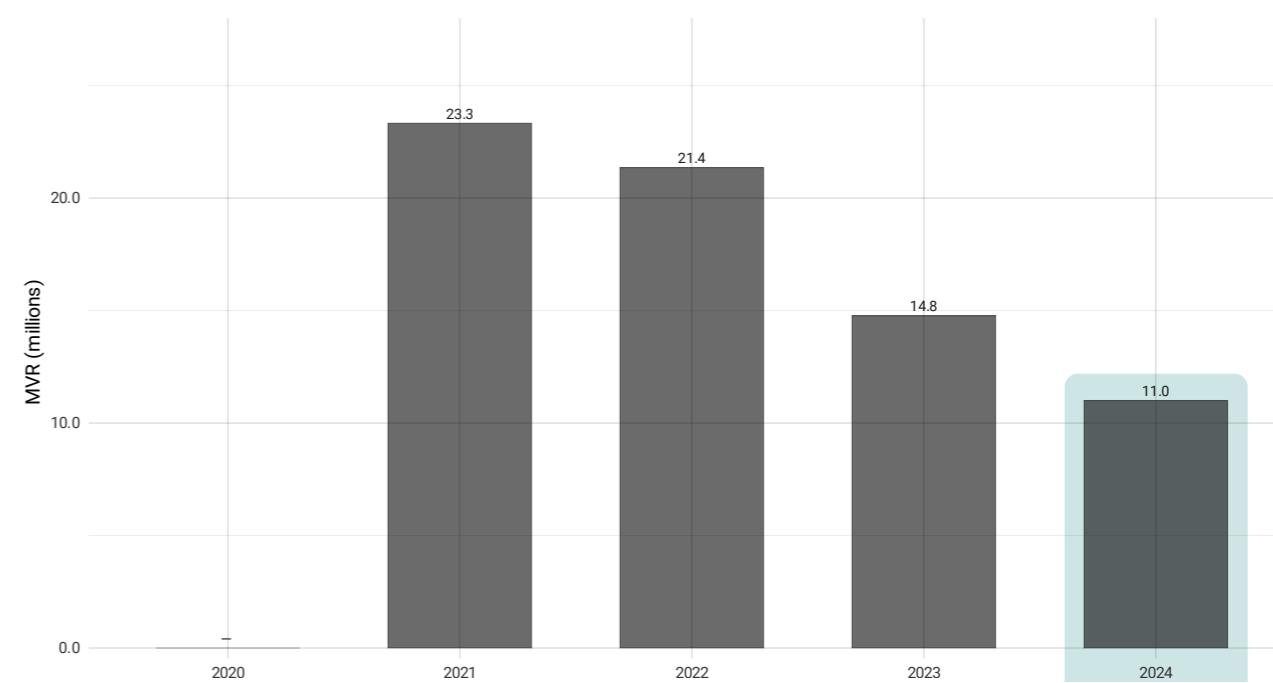
## Revenue Breakdown | Growth

MVR MILLIONS, LABELS SHOW VALUE AND YOY % CHANGE



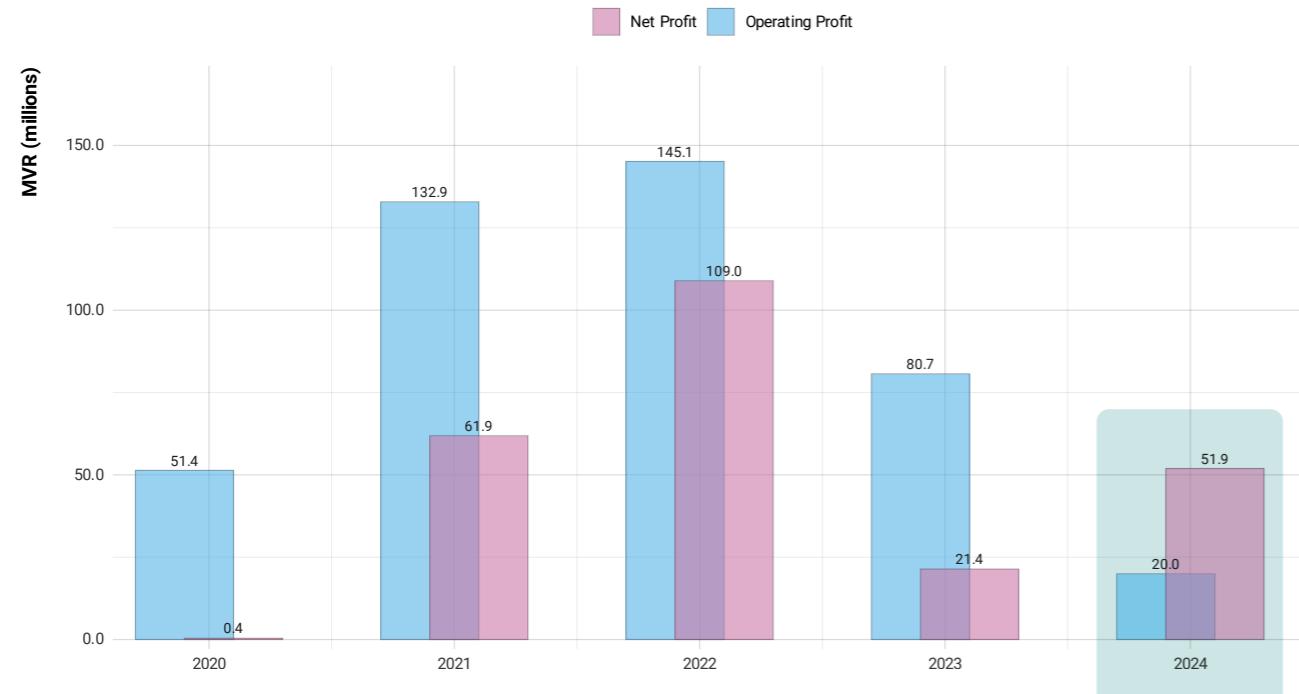
## BPT / CIT Payments

MVR MILLIONS



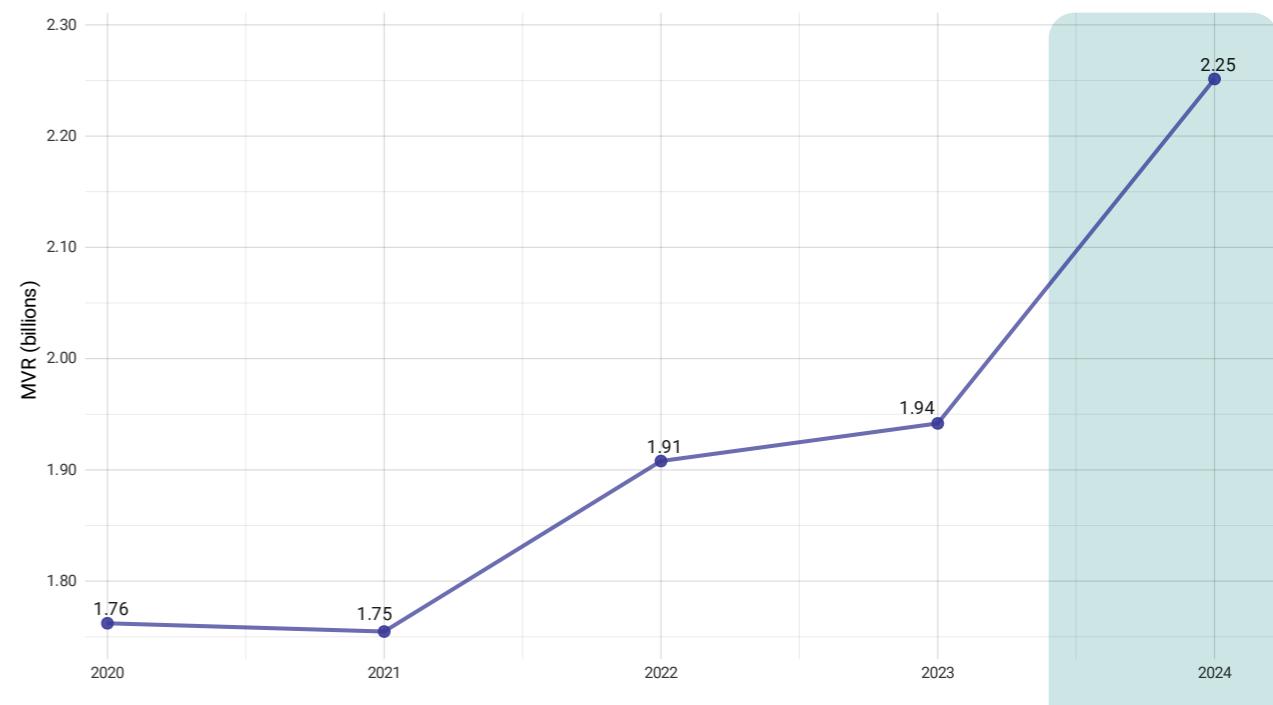
## Operating Profit v Net Profit

MVR MILLIONS



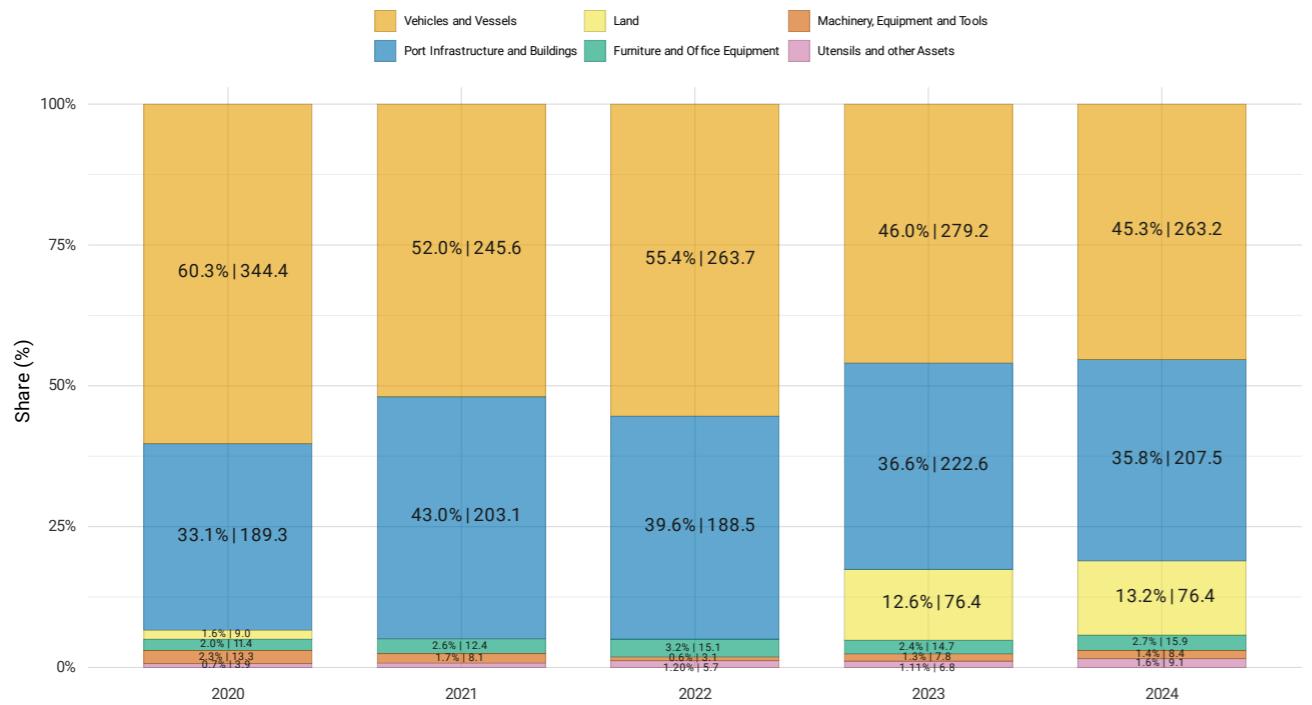
## Total Assets

MVR BILLIONS



## Property, Plant and Equipment Composition

IN % SHARE AND VALUE IN MILLIONS OF MVR



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## Our Values & Cultures

**01**

Professionalism in Everything we do

**02**

We become better Everyday

**03**

Your safety, Our priority

**04**

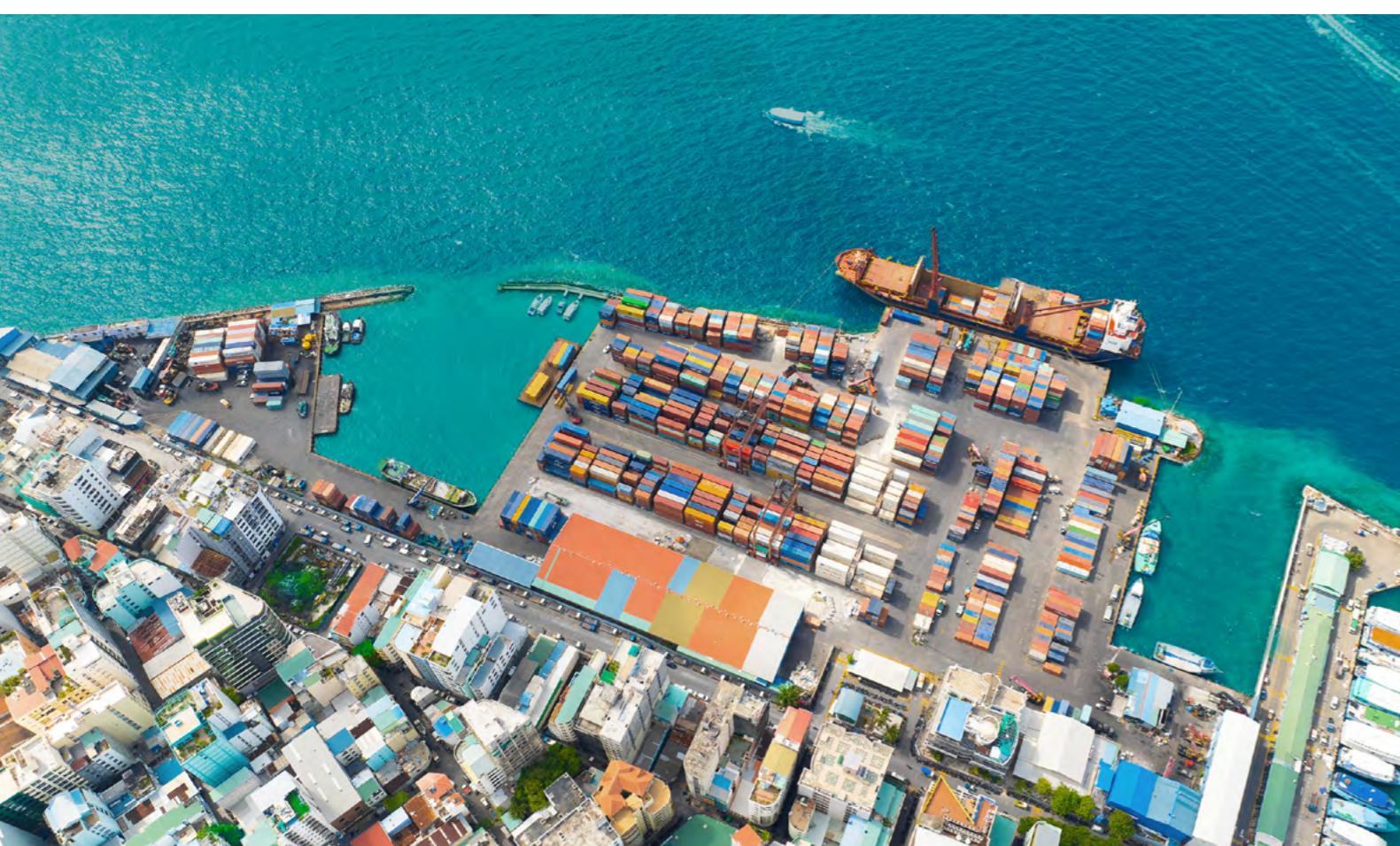
You can count on us

**05**

United, we are stronger

**06**

Go Green!



## Strategic Pillars



### Providing World-Class Port Services

- A. Excellence in Operational Efficiency.
- B. Enabling Workers through upskilling and championing our values.
- C. Performance Driven by Business Intelligence.
- D. Ready for risks and responding with confidence.



### Leading our Economy in to the Future

- A. Migration to Multi-purpose Hub Port (long-term).
- B. Establish Container Port in Thilafushi.
- C. Drive towards port-centric logistics and enhance hinterland connectivity.
- D. Diversify and expand business horizons.



### Empowering People and Communities

- A. Establish a 'safety-first' culture.
- B. An Equal and Inclusive Workplace for everyone.
- C. Engaging with the Business Community and Port Users.
- D. Creating shared-value in collaboration with island communities and CSOs.



### Environmental Stewardship, Social Responsibility and Governance

- A. Re-building from the ground-up for sustainability.
- B. Promote transparency and accountability.
- C. Re-engineer processes and business activities internally.
- D. Comply with international standards and industry best practices.

## Company Objectives

→ Being a profitable business enterprise, providing safe, efficient port services to port users.

→ Formulating corporate governance policies, procedures and codes to assist the Board in the exercise of its duties and responsibilities and to serve the best of Maldives Ports Limited and its stakeholders.

→ Establishing a reputation for quality by maintaining the highest possible technical, operating and service standards.

→ Responding to the needs of customers by continual assessment and development of the ports of the Maldives.

→ Maintaining a friendly environment, recognizing port users as the basis for the existence of the ports.

→ Achieving a satisfactory return on shareholders' funds and maintaining a sound policy of adequate retention of earnings for future growth.

→ Establishing economically viable port related services.

→ Harmonizing the development and operations in ports and port land areas with protection of the environment.

→ Ensuring that all operations in ports and all port land areas are conducted safely.

→ Operating commercially as a financially self-sufficient and autonomous body.

→ Ensuring that all income collected and expenditure incurred by MPL are properly accounted for.

→ Developing a skilled and an efficient work force able to achieve the objectives of the Company.

→ Providing advice and assistance to the government in the formulation of a National Ports Policy and in planning and administrative matters and otherwise in relation to any matter concerning ports or port land areas.



## Our Services



### Port Services

Value added services in the handling of containerized cargo, reefer services, general cargo, specialized and dangerous goods, and depot services.



### Marine Services

Provision of Pilotage services, dockage services at berths, towage services with provision of tug services and salvage and rescue operations.



### Technical Services

Mechanical and marine engineering workshop, civil and electric work carried out in our mechanical and marine engineering workshops and Thilafushi vessel repair yard.



### Cargo Services

A variety of services from stevedoring, cargo handling, wharfing and storage, to shifting, sorting, measuring, stuffing, stripping, lashing and unlashing.



### Safety & Safety Services

Monitoring of Ports perimeter, attending work and accident related emergencies, implementing ISPS code and conducting safety drills and assessments.



### Port Training Centre

Offers useful trainings and port work development programs for employees as well as MQA approved Diploma and Certificate level courses.



# Strategic Business Units & Subsidiaries

## Ports & Terminals



### Malé Commercial Harbour (MCH)

MCH is the main port in the Maldives and is considered the core international maritime gateway into the Maldives, and it's a very unique port. All port activities, from docking, clearing all the way to storage are provided from the same small facility. The services and activities provided from MCH are extensive, including the port yards, harbour basins, wharves and anchorages.



### Hulhumalé International Terminal

Hulhumalé Terminal has been operational since 27th June 2013 and consists of an international and local terminal fully compliant with ISPS standards. Hulhumalé Terminal is a strategic venture of MPL to create a balance and a good flow of cargo preventing container congestion at MCH and to boost the economic activities relating to the second phase of Hulhumalé development. Currently, the terminal has a container storage capacity of 1,200 TEUs, an empty container storage capacity of 1,200 TEUs, a temporary general cargo warehouse of 40x66ft (2,640 sqft), and 35 plug points for reefer containers. There is also an ongoing project of a permanent warehouse of 10,000 sqft.



## Regional Ports



### Hithadhoo Port Limited (HPL)

HPL is located in the southern most atoll of Maldives, and was opened for service on 6th December 2005. Hithadhoo island; the second most densely populated among all islands the country, is placed on the top north western edge of Addu atoll making it easily accessible from other atolls and also directly from the Indian Ocean.



### Kulhudhuffushi Port Private Limited (KPL)

KPL was opened for business on 5th December 2005. Facilities available at this port include a 171.5m berth with cargo handling equipment. An average of 4 vessels call to the Kulhudhuffushi port per month in addition to the smaller Indian wooden ships that carries aggregates, river sand and perishables from Tuticorin during late and early months of the year. MPL holds 50% of shares in KPL and the rest by the Government.

## Strategic Business Units & Subsidiaries (Contd.)

### Harbours



Malé North Harbour (MNH)

MNH is a local quay owned by Male' city council and operated by MPL. MNH services commenced on 17 May 2011. Male' North Harbour is a domestic quay for vessels (Dhoni) carrying cargo and passengers from atolls. The harbour can accommodate 30-37 boats simultaneously. Operational for 24hrs, this harbour provides basic utilities for all vessels at the cheapest rates. The harbour consists of facilities that provide a prayer room, washroom and waiting areas to meet all needs of travellers. Malé North Harbour area comprises 9 commercial wholesale and retail outlets, where goods are available for such travellers. MNH has 2 warehouses providing temporary storage facilities and 1 canteen and 1 café to provide for travellers' necessities. Operational solely for locals, the harbour is being developed steadily to meet the needs of locals. The current facility provides adequate services to cater for the immediate needs of merchants and passengers.



Malé South West Harbour (MSWH)

T-Jetty is a key logistical and distribution point for most commercial cargo after clearance from Malé Commercial Harbour. T- Jetty is also a place for anchorage of larger local vessels, sand mining boats and the permanent parking area for fuelling and other heavy vehicles used for construction. It also provides priority services for basic necessities required by the public, such as water, gas and STO staple food supply.

### Other SBUs



Port Complex

Port Complex consists of staff accommodation for those living away from family, commercial office spaces and a staff recreational club with a gym as well as additional storage space for documents, and machinery and equipment kept for auction and disposal. In addition to providing auxiliary functions for Port Operations, the Port Complex also forms an important aspect of income diversification through secondary commercial activities such as leasing of office space and conference or training space.





## Board of Directors



**Aminath Hameed**  
Chairperson

Ms. Aminath Hameed is a distinguished executive with over two decades of experience in business administration, marketing, accounting, and finance. She holds an MBA in Marketing from Charles Sturt University, Australia, and a BA in Accounting and Finance from the University of East London, UK. She served as a Board member of Thilafushi Corporation Limited from 2014 to 2018, contributing significantly to the organization's progress with her strategic insights. From 2006 to 2013, she held various positions in the Regional Airports sector, including Head of Finance Department, Deputy Director, Assistant Manager, and Assistant Undersecretary, demonstrating her expertise in leadership, finance, and strategic planning.



**Ahmed Ilyas**  
Board Member

Mr. Ahmed Ilyas, with 28 years at Maldives Ports Limited, retired in February 2023 after holding various key roles, from Tally Clerk to Assistant Manager. His leadership was pivotal in the digitalization of operations through the "Bandharu" software. Beyond operational roles, he contributed significantly to education as a lecturer for the International Labour Organization courses. Progressing to Planner and Senior Planner, he became Overall Container Yard Incharge. Throughout his career, Ahmed Ilyas displayed a commitment to excellence, blending strategic thinking with operational efficiency. His legacy includes navigating technological advancements in port management, leaving an indelible mark on Maldives Ports Limited.



**DCP (Retd) Mohamed  
Rishwan**  
Chief Executive Officer and  
Managing Director

DCP (Retd.) Mohamed Rishwan has extensive experience in corporate leadership, institutional management, and strategic operations. Throughout his career, he has demonstrated a proven track record in executive roles, successfully leading organizations in security consultancy and healthcare. Previously, he served as Deputy Director General, Operations, and Deputy CEO of Indira Gandhi Memorial Hospital (IGMH), playing a pivotal role in enhancing daily operations and facilitating the commencement of services at Dharumavantha Hospital. His leadership experience also extends to the private sector, where he has held executive roles in organizations within the safety and security industry as well as healthcare. Before transitioning into corporate leadership, Rishwan had a distinguished career in law enforcement and security. As the former Deputy Commissioner of Police in the Maldives, he was instrumental in national security operations, counterterrorism strategies, and law enforcement training. His expertise includes managing large-scale public safety initiatives, overseeing critical incidents, and leading specialized task forces.



**Ahmed Eehab**  
Board Member

Ahmed Eehab is a versatile leader with over 20 years of experience in business management, human resources, and entrepreneurship. With a career that spans over two decades, he has worked in leadership roles at Villa College, helping shape teams, guide strategy and build a positive workplace culture. At the same time, he has followed his passion for local businesses, co-founding popular ventures, all of which reflect his creative approach and deep connection to the community. Eehab holds a Master's in Business Administration and a bachelor's in international Tourism Management and has also served on boards such as Fenaka Corporation, contributing to key committees. At MPL, Eehab brings a thoughtful mix of operational insight and entrepreneurial energy, helping guide the company's people, processes, and purpose into the future.



**Aminath Raisham**  
Board Member

Aminath Raisham is a passionate and grounded legal professional who brings over ten years of experience and a deep commitment to public service and good governance to her role on the MPL Board. Throughout her career, she has worked across both government and private institutions, offering legal guidance, handling court matters and helping shape policies. From her time at the Maldives Inland Revenue Authority and The Presidents Office to her current roles as a Legal Counsel at Antrac Holding Pvt Ltd and Dhivehi Insurance Company Pvt Ltd, Raisham has earned a reputation for being thoughtful, reliable and principled in her work. She holds Master of Laws (LLM) in International Commercial Law and an LLB (Hons) with a focus on areas like arbitration, tax law and data protection. At MPL, she brings not just legal knowledge but a steady hand and a clear sense of purpose, supporting the organization's goals with integrity and care.



**Fathimath Shafga Rafeeu**  
Board Member

Fathimath Shafga Rafeeu is a dedicated and thoughtful finance professional who brings strong analytical skills, hands-on financial experience, and a commitment to responsible governance to her role on the MPL Board. Over the years, she has worked across multiple financial functions, from her current position at SDFC, where she manages high-risk portfolios and leads recovery strategies, to earlier roles in accounting, cash flow management, and financial reporting with well-established Maldivian companies. Shafga holds an MBA and a BA (Hons) in Accounting and Finance from the University of the West of England, along with foundational qualifications in accounting from Villa College. Known for her reliability, integrity, and growth-oriented mindset, she brings to MPL a strategic financial perspective and a steady, solutions-focused approach that strengthens the organisation's financial oversight and long-term planning.

Mohamed Waheed is an experienced professional with over 15 years of experience in Vessel Operations, Corporate Governance, Project Management and Strategic Leadership. He has been a Board Director at Housing Development Corporation and was actively involved in Corporate Governance Development by being a member of the Audit and Remuneration Committees. Aside from his background in the boards, his vast experience covers leading management roles in public and private sectors, including senior roles at Maple Travel & Leasing, WAMCO and MTCC. His experience in Operational Management, compliance with regulations and organizational development makes him a valuable member of the MPL Board. Committed to excellence and improvement, Waheed tackles his tasks with a solution driven, proactive approach, supporting MPL's vision to enhance port services while also driving sustainable growth.



**Mohamed Waheed**  
Board Member

# Executive Management

**DCP (Retd.) Mohamed Rishwan**  
Chief Executive Officer

**Adil Rasheed**  
Port Facility Security Officer

**Mohamed Ameez**  
Chief Strategy Officer  
Division Head - Strategic Development

**Surahabeel Waheed**  
Senior General Manager  
Mechanical & Electrical Engineering Department

**Aishath Shimla**  
Chief Learning & Development Officer  
Learning & Development

**Ahmed Nasheed**  
General Manager  
Hulhumale Logistics Operations Department

**Mohamed Mueen**  
Deputy Chief Executive Officer

**Hassan Zareer**  
Consultant

**Abdullah Rasheed**  
General Manager  
Division Head - Corporate Services

**Ahmed Xulfigarudheen**  
Senior General Manager  
Marine Engineering Department

**Hassan Zareer**  
Harbor Master  
Nautical Services Department

**Abdulla Samir**  
General Manager  
ICT Services Department

**Uza. Hawwa Iman**  
Company Secretary

**Hussain Naeem**  
Chief Technical Officer  
Division Head - Technical Services

**Ahmed Nazim**  
Chief Logistics Officer  
Logistics and Domestic Harbor Services

**Mujahid Anees**  
Senior General Manager  
Port Operations Department

**Uz. Abdul Rauf Ibrahim**  
Senior Legal Council  
Legal Department

**Ismail Shareef**  
General Manager  
Human Resource Department

**Ibrahim Shareef**  
Chief Internal Auditor  
Internal Audit Department

**Hassan Muzni Mohamed**  
Chief Operations Officer  
Division Head - Operational Services

**Abdul Haleem Abdul Ghafoor**  
Deputy Chief Financial Officer  
Division Head - Financial Services

**Ahmed Hamdulla Rasheed**  
Assistant General Manager  
Security Services Department and Facilities Management Department

**Ahmed Saleem**  
Senior General Manager  
Cargo Clearance Department

**Manarath Ubaidh**  
General Manager  
Administration Department

**Ibrahim Rasheed**  
Chief Risk Officer  
Risk and Compliance Department

**Hussain Naeem**  
Chief Technical Officer  
Division Head - Technical Services

**Ahmed Inaan**  
Chief Dock Officer  
Dockyard

**Athuhar Ibrahim Rasheed**  
Assistant General Manager  
Procurement Department

**Ahmed Arif Adam**  
Senior General Manager  
Fleet Services Department

**Hana Abdul Rahman**  
Financial Controller  
Finance Department

**Ali Hashim**  
Advisor

**Ilyas Mohamed**  
Chief Technology & Enforcement Officer  
Division Head - Digital and Enforcement Services

**Mohamed Maseeh Abdul Sattar**  
Senior General Manager  
Business Development and Projects Department

**Ahmed Ibrahim**  
Assistant General Manager  
Male' South West Harbor Management and Male' North Harbor

**Hassan Jinah**  
Senior General Manager  
Health & Safety Department

**Mohamed Ibrahim Manik**  
Assistant General Manager  
Facilities Management Department

**Anil Adam**  
Research and Development Consultant

**Mohamed Mahjoob**  
Senior General Manager  
Logistics Department

**Aishath Neesha Khaleel**  
Senior General Manager  
Marketing & PR Department

**Aishath Ziruva Zareer**  
Assistant General Manager  
CEO Bureau

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## Section 2. ESG Report

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## 1. Statement By Managing Director

It brings great pleasure to present the Annual Sustainability Report of the company for the financial year 2024, a testament to our commitment to transparency, responsibility, and progress into future endeavors.

## 2. Information/Background of The Company

Maldives Ports Limited (MPL), the former Maldives Ports Authority (MPA), was formed by Presidential decree with the mandate to develop, manage and operate the ports of Maldives. Under this decree, Malé Commercial Harbor was relocated from the area now known as 'Jumhooree Maidhaan' to its current location on 15th September 1986. The first ever cargo vessel to arrive to Male' Commercial Harbor was M.V. Ruthuris, which arrived with 38 containers on 10th January 1989.

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MPL is the primary backbone for importation and exportation of manufactured goods between the Maldives and international destinations. As a commercial service provider, the key business approach of MPL is to fast-track our services without compromising time and quality. The challenge lies in keeping pace with the dynamic and evolving business environment and identifying opportunities that strengthen the economy and cultivate sustainable commercial development.

## 3. Our Esg Journey

### 3.1 Introduction

In 2024, we continue to execute our ESG strategy and implementation plan. We further strengthened our internal capacity through various initiatives, including webinars, videos, and newsletters, to enhance awareness and understanding of ESG matters among our staff. To ensure continuous progress toward our ESG targets, we have maintained annual ESG key performance indicators (KPIs) for different business units since 2023, with the Board of Directors receiving regular progress updates.

Maldives Ports Limited's Environmental, Social, and Governance Report 2024 outlines our sustainability performance and the challenges we encountered throughout the year. It highlights the ESG topics identified in the Guideline on Integrated Sustainability Reporting of SOEs, published by the Privatization and Corporatization Board (Ref: 454/CIR/2024/5) on 3rd March 2024, as well as other areas that are material to our business and stakeholders.

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards.

### 3.2 Materiality Assessment

Whilst this report primarily reports on the pillars/topics identified in the Guideline on Integrated Sustainability Reporting of SOEs published by the Privatization and Corporatization Board (Ref: 454/CIR/2024/5) on 3rd March 2024.

However, had the management and those charged with governance identified additional ESG-related topics that are material for the company and its stakeholders, they are also covered in this report.

## 3.3 Our Sustainability Pillars



Environment



Health &amp; Safety



Social Issues



Governance



### Pillar 1: Environment

To protect the planet for present and future generations, we are endeavoring to optimize the use of resources. We aim to conduct our business in an environmentally conscious manner and advocate for good practices in our value chain.

### 1. Environmental Policies

- A. Alternative Fuels: Developing infrastructure for bunkering alternative fuels such as LNG, biofuels, and hydrogen to facilitate the transition to cleaner shipping fuels.
- B. Equipment Upgrades: Retrofitting port equipment with energy-efficient technologies to minimize emissions and reduce operational costs.
- C. Fuel Monitoring Systems: Deploying advanced fuel monitoring systems across all port vessels and machinery to track and optimize fuel consumption.
- D. Energy Management Systems: Implementing comprehensive energy management solutions to identify inefficiencies and enhance sustainability in port operations.

## 2. Water

- A. MPL is committed to adopting best practices in water management to ensure sustainable use of this vital resource. The company relies on municipal water supply, specifically through the public water lines of Malé Water and Sewerage Company.
- B. While water is not a primary requirement for day-to-day port operations, MPL proactively seeks to minimize consumption, recognizing the vulnerability of water sources in the island nation. Regular monitoring and maintenance of water infrastructure remain a key priority to ensure efficient distribution and reduce wastage.
- C. Raising awareness is a core aspect of MPL's water conservation efforts, with regular training sessions conducted to educate staff on efficient water usage. Additionally, wastewater is collected and disposed of through a registered effluent disposal company, ensuring responsible waste management.

### 3. Electricity

A. Onshore Power Supply (OPS): Deploying OPS systems to enable ships to connect to the port's electricity grid while docked, reducing emissions from idling engines.

B. Renewable Energy Integration: Incorporating renewable energy sources, such as solar and wind power, into the port's energy supply to support OPS and enhance sustainability.

### 4. Waste

A. Port operations generate a wide variety of waste, presenting challenges for effective management and the reduction of environmental impacts. From shipping activities to cargo handling and vessel maintenance, significant amounts of solid waste are produced, including packaging materials, scrap metal, and discarded equipment.

B. Liquid waste, such as ballast water and bilge water, often containing pollutants and contaminants, further adds to environmental concerns. Given the dynamic nature of port activities and the complexity of the waste streams, MPL has adopted a comprehensive waste management strategy aimed at minimizing environmental pollution

and promoting sustainable practices to protect surrounding coastal areas.

C. To support this, MPL implements waste segregation before handing materials over to authorized waste collection agencies for proper disposal.

### 5. Environmental Activities

A. Beyond internal sustainability efforts, MPL actively participates in environmental projects, often collaborating with local communities and advocacy groups to conduct coastal clean-ups, remove marine debris, and protect marine habitats.

B. Sustainable Infrastructure: Incorporating eco-friendly design elements in new infrastructure projects to improve energy efficiency and minimize environmental impact.

C. Green Building Standards: Ensuring all new construction and renovation projects comply with international green building standards.

D. Fuel Efficiency Programs: Partnering with shipping companies to promote fuel-efficient technologies and best practices.



### Pillar 2: Health and Safety

#### 1. Health and Safety Policies

A. MPL has established and implemented comprehensive health and safety policies and standard operating procedures (SOPs) to align with existing workplace safety, health, and environmental regulations. These policies aim to enhance occupational safety, mitigate workplace accidents, and ensure compliance with legislative requirements. Additionally, SOPs have been developed for emergency response, accidental injuries, and ongoing monitoring and evaluation of worker safety.

#### 2. Work Injuries

A. MPL tracks and reports occupational injuries affecting employees, ensuring proper documentation and analysis to improve workplace safety measures.

#### 3. Employee Awareness

A. Regular awareness sessions are conducted to educate employees on the company's health and safety policies and SOPs. These sessions cover key topics such as risk identification, risk management strategies, and emergency response protocols to foster a safer work environment.





## Pillar 3: Social Issues

### 1. Employment policies

A. MPL is committed to maintaining fair and inclusive employment practices by adhering to well-defined policies that safeguard employee rights and benefits. These include the Recruitment Policy, Work-from-Home Policy, Promotion Policy, Leave Policy, Retirement Policy, Disciplinary Action and Termination Policy, Bonus Policy, Dress Code Policy, Attendance Policy, Sexual Harassment Policy, and others that support a positive and equitable workplace.

### 2. Training Opportunities

A. Recognizing the demands of a highly competitive and evolving global maritime industry, MPL prioritizes employee training and development. The company employs a dynamic, comprehensive training strategy tailored to meet the evolving needs of its workforce. MPL's programs emphasize practical skills development, theoretical knowledge enhancement, and hands-on learning experiences through state-of-the-art training facilities and expert instructors. By fostering a culture of continuous learning, MPL invests in diverse training opportunities to equip employees with the necessary competencies to excel in their roles and contribute to the company's long-term success.

### 3. Gender Equality

- A. Ratio of female representation in workforce:
- B. The Total Workforce of The Company is 2610, Male: 2169 and Female 441
- C. Ratio of female representation in senior management positions:
- D. The Executive Management Representation is Male: 33, Female: 5 (33:5)
- E. Ratio of female representation in the Company Board of Directors:
- F. The representation of the company Board of Directors is Male: 5, Female: 1 (5:1)

### 4. Community Engagement

- A. MPL actively contributes to community development through two key approaches: Sponsorships and Donations.
- B. Community engagement activities in 2024:
- C. External Partnerships: MPL received 51 sponsorship and donation requests, of which 29 were approved for funding or donations.

### 1. Governance Policies

- A. MPL upholds strong governance standards through the Corporate Governance Committee, which ensures the effectiveness and compliance of governance policies across the company.
- B. To reinforce its commitment to ethical business practices, MPL has implemented a Code of Conduct that sets clear expectations for employee and management behavior. This policy covers key areas such as anti-corruption, professional conduct, and compliance with legal and regulatory standards, ensuring that MPL operates with integrity in all stakeholder interactions.
- C. Additionally, MPL introduced several governance enhancements during the period, including refinements to its Whistleblower Policy and improvements to its Risk Management Framework. These measures encourage the responsible reporting of unethical behavior while strengthening the company's ability to manage financial, operational, and environmental risks effectively.

### 2. Disclosure & Transparency

- A. MPL is committed to maintaining transparency by publishing its Annual Report each year and Quarterly Reports every quarter. These reports provide stakeholders with comprehensive insights into the company's performance, governance structure, and strategic direction.
- B. To further enhance transparency, MPL has made all governance-related policies, including the Conflict of Interest Policy, Travel Policy, and Code of Conduct, publicly available on its website. This ensures that stakeholders remain well-informed about the company's governance framework and ethical standards.

## 4. Our ESG Governance

MPL is committed to upholding high standards of governance in its ESG journey, ensuring the interests of shareholders, customers, employees, and other stakeholders are safeguarded.

BOARD/AUDIT & RISK COMMITTEE	EXECUTIVE COMMITTEE
Ensures that the company's ESG goals align with its broader corporate strategy.	Monitor compliance with applicable laws and regulations related to ESG, such as environmental regulations, labor laws, and anti-corruption frameworks.
Approves policies and commitments that promote sustainability, corporate responsibility, and ethical business practices.	Regularly review the company's internal controls to ensure that ESG-related risks are mitigated and managed effectively.
Consistently review ESG targets, including carbon reduction, diversity, and social responsibility, while monitoring the company's progress in achieving these objectives.	Develop and implement practical ESG initiatives that align with the company's overall goals (e.g., reducing carbon footprint, increasing workforce diversity, enhancing employee well-being).

## 5. Strategy

MPL shall proactively manage Significant Risks and Opportunities (SRROs) to ensure its long-term success. Key risks include economic volatility, geopolitical tensions, climate change, regulatory changes, technological disruptions, and supply chain challenges. To address these, MPL's strategy focuses on diversifying revenue streams, investing in sustainable and climate-resilient infrastructure, and embracing technological innovations such as automation and digitalization. The company is also building partnerships to share the financial burden of large projects and enhance operational efficiency. By integrating sustainability into its core operations, MPL can mitigate risks, capitalize on growth opportunities

(e.g., increased tourism and trade), and strengthen its financial position. The company's adaptable business model ensures resilience against external shocks, positioning MPL for sustained growth and competitive advantage in the global maritime sector.

## 6. Risk Management

At MPL, risk management is a core component of our strategy to achieve business objectives and protect the interests of our stakeholders. We understand that an effective risk management framework is essential for our success and long-term sustainability. To this end, MPL utilizes a comprehensive Enterprise Risk Management (ERM) framework that integrates both bottom-up risk reviews gathering insights from across

our business units and top-down assessments by senior leadership. This combined approach ensures that risks are thoroughly identified, assessed, and managed in alignment with MPL's strategic vision.

We implement a Three Lines of Defense model, which ensures strong oversight and accountability within our risk and control framework, enabling decisions to be made with a full understanding of potential risks. As part of our continuous ERM efforts, we have been actively updating and reinforcing our mitigating controls, especially concerning Environmental, Social, and Governance (ESG) risks, in line with global best practices. While certain risks remain high, we are confident that our controls are effectively mitigating exposure and minimizing potential impacts.



**First line of defense:** comprises risk owners (business units and departments) who are responsible for risk management in the day-to-day operations in line with established policies, procedures and internal controls established for their respective business functions.

**Second line of defense:** the Risk Department which is entrusted with the responsibility of monitoring, measuring and reporting to Management and the Board Audit Committee as well as independently verifying the effectiveness of risk controls.

**Third line of defense:** External and Internal auditors who are charged with providing independent assurance to the Board regarding the soundness and efficacy of the Company's risk management practices and conducting an objective assessment to determine organization compliance with internal mandate and regulatory requirements.

## 7. Risk Process

MPL's risk process is a cornerstone of its strategic management, designed to ensure the organization's resilience and sustained growth amidst a dynamic business environment. This comprehensive process involves the systematic identification, assessment, monitoring, and control of risks, enabling MPL to proactively address potential threats and seize opportunities. By integrating risk management into its core operations, MPL not only safeguards its assets and stakeholders but also enhances its ability to adapt to market changes and regulatory requirements.

Name of Target	Definition of Target	YES/NO (where applicable)	Metric used to set target and monitor progress	Source of metric used: 1. IJSB Standards 2. Law or Regulation 3. Other Source	Quantitative/ qualitative?	2023 (Prior Year)	2024 (Current Year)	2025	2026	2027
						TRUE	Nil	TRUE	TRUE	TRUE
Environmental Policies	A. Environmental Policies									
	1. Is Policy(s) in Existence?									
	2. If not, target date to develop policy(s)									
	B. Number of environment related accidents/incidents									
Water	A. Water conservation strategy									
	1. Is water conservation strategy in existence?									
	2. If not, target date to develop policy(s)									
	3. Total water consumed (Litres) accidents/incidents				13,237.69	75,665.00	TRUE			
Electricity	A. Energy conservation strategy									
	1. Is the Strategy in existence?									
	2. If not, target date to develop						TRUE			
	3. Total electricity consumed (Kwh)				3,613,432.00	3,913,140.00				
Waste	A. Waste Management Policy									
	1. The Policy in existence?									
	2. If not, target date to develop									
	B. Waste management procedures									
	1. SOPs in existence?									
	2. If not target date to develop									
	C. Amount of Waste Produced						TRUE			

Name of Target	Definition of Target	YES/NO (where applicable)	Metric used to set target and monitor progress	Source of metric used: 1. IJSB Standards 2. Law or Regulation 3. Other Source	Quantitative/ qualitative?	2023 (Prior Year)	2024 (Current Year)	2025	2026	2027
						TRUE	TRUE	TRUE	TRUE	TRUE
Environmental Activities	A. Number of environmental activities									
	B. Total cost of environmental activities									
	A. Health and safety policies established by the Company during the period									
	1. Policy/procedures in existence?	Yes	PCB-Guideline	Quantative						
Health and safety Policies	2. If not target date to develop									
	Total number of occupational injuries									
	Total number of sessions carried out to aware employees on the established health and safety SOPs/ Policies									
	A. Employment policies established by the Company									
Trainings	1. Policy/procedures in existence?	Yes	PCB-Guideline	Quantative						
	2. If not, target date to develop									
	A. Total number of employees trained				Qualitative	1485 out of 2128	2233 out of 2610			
	B. Total Employees training hours				Qualitative	1533 hours	3676 hours			
	C. Total Employees training costs				Qualitative	9.9 Million	20.96 Million			

		Definition of Target		YES/NO (Where applicable)		Metric used to set target and monitor progress		Source of metric used:		Quantitative/ qualitative?				
								1. IISB Standards						
								2. Law or Regulation						
								3. Other Source						
Community Engagement	A. Ratio of female representative in workforce			Qualitative	Male: 1782 Female: 294	Male: 2131 Female: 441				2023 (Prior Year)	2024 (Current Year)	2025	2026	2027
	• Ratio of female representation in senior management positions			Qualitative	Male: 32 Female: 4	Male: 33 Female: 5								
	• Ratio of female representation in Board of Directors			Qualitative	Male:5 Female: 1	Male:5 Female: 1								
	A. Number of community engagement activities			Qualitative	13	2								
	B. Number of CSR Projects			Qualitative	70	32								
	C. Community engagement and CSR project costs			Qualitative	2,115,000.00	1,629,613.94								
Governance Policies	A. Governance policies established during the period:													
	1. Is Policy/procedures in existence?	Yes	Board approved policy	PCB-Guideline	Qualitative									
	2. If not target date to develop													

		Definition of Target		YES/NO (Where applicable)		Metric used to set target and monitor progress		Source of metric used:		Quantitative/ qualitative?				
								1. IISB Standards						
								2. Law or Regulation						
								3. Other Source						
Disclosure and Transparency	A. Is Annual audit and Governance Report published?			Yes	Board approved policy	PCB-Guideline	Qualitative			2023 (Prior Year)	2024 (Current Year)	2025	2026	2027
	B. Has a separate tab on the website for Governance related matters and publications?			Yes	Board approved policy	PCB-Guideline	Qualitative							
	C. Is the Annual Report and Governance Report of past 3 years published on Website?			Yes	Board approved policy	PCB-Guideline	"Qualitative & Quantitative"							
	D. Total Website enhancement costs in relation to governance and transparency									Website enhancement done by inhouse staff	Website enhancement done by inhouse staff			
Complaints	A. Total number of legal or regulatory complaints received and resolved					Qualitative	Total Complaints: 48 Complaints resolved: 8"			42   Annual Report 2024	Annual Report 2024   43			
	B. Number of procurement related complaints received, registered, and resolved					Qualitative	Nil	Nil						
	C. Number of employees grievances received, registered, and resolved					Qualitative	Received: 35 Registered: 32 Resolved: 19	Received: 2 Registered: 2 Resolved: 2						

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## Section 3. Management Discussion & Analysis

# 1. Operating Environment

## 1.1 Global Economic Update

In 2024, global economic activity showed signs of resilience despite ongoing challenges. The global economy managed to maintain a steady growth rate, with an estimated expansion of 3.2%. This growth was supported by easing inflationary pressures and a gradual recovery in trade volumes.

## 1.2 Economic Conditions

The global GDP growth rate for 2024 is projected to be 3.2%, slightly higher than the previous year. This improvement is attributed to the stabilization of inflation and robust consumer spending in major economies.

Headline inflation continued to moderate across most countries, with significant declines in food, energy, and goods prices. However, services price inflation remained persistent, posing challenges for monetary policy normalization.

## 1.3 Trade Dynamics

Global trade hit a record \$33 trillion in 2024, expanding by 3.7%. This growth was driven primarily by the services sector, which saw a 9% increase, while trade in goods grew by 2%. Despite this overall growth, momentum slowed in the second half of the year due to geopolitical tensions and policy shifts.

Developing economies outpaced developed nations in trade growth, with imports and exports rising by 4%. South-South trade expanded by 5% annually, highlighting the growing importance of intra-regional trade among developing countries.

## 1.4 Geopolitical and Economic Challenges

The global economic landscape was marked by heightened geopolitical risks, including ongoing conflicts in the Middle East and Eastern Europe. These tensions contributed to volatility in commodity markets, particularly oil prices, and disrupted supply chains.

Escalating energy prices, driven by geopolitical conflicts, placed significant strain on household budgets and business operations, particularly in the euro area. This led to a sharp deceleration in economic growth within the region, with an estimated expansion of just 0.7%.

## 1.5 Regional Economic Performance

The US economy demonstrated resilience, with a projected growth rate of 2.7% for 2024. Robust consumer spending and favorable fiscal policies supported economic activity, although the first quarter of 2025 showed a slight contraction.

Economic growth in the euro area remained subdued, with a projected growth rate of 0.7% for 2024. High energy prices and subdued consumer confidence were key factors contributing to the slow recovery.

Emerging Markets and Developing Economies (EMDEs) exhibited strong growth, with an estimated expansion of 5.2% in emerging Asia. However, excluding China, growth in EMDEs slowed to 3.8%, reflecting the impact of weakened demand from advanced economies.



Sources:

[World Economic Outlook Update, July 2024](#)  
[OECD Economic Outlook, Volume 2024 Issue 2](#)  
[Global Trade Update, December 2024](#)  
[Eurosystem staff macroeconomic projections for the euro area, December 2024](#)  
[Economic Outlook U.S. Q4 2024](#)  
[U.S. Economy at a Glance](#)  
[Business Insights on Emerging Markets 2024](#)  
[Statistical release: BIS international banking statistics and global liquidity indicators at end-December 2024](#)

## 2. Industry Trends

The maritime and logistics industries have experienced significant transformations in 2024, driven by technological advancements, sustainability initiatives, and evolving geopolitical dynamics. These trends are shaping the future of global trade and logistics, presenting both challenges and opportunities for industry stakeholders.

### 2.1 Digitalization and Automation

The shipping and logistics sectors have embraced digitalization at an unprecedented pace. Major players like Maersk, MSC, and Hapag-Lloyd have implemented advanced digital solutions, enhancing real-time shipment tracking and supply chain visibility. Artificial intelligence (AI) and blockchain technology are further automating processes, improving efficiency, and reducing operational costs.

Automation technologies, including autonomous vessels and automated port operations, are becoming more prevalent. These innovations are streamlining operations, reducing human error, and increasing productivity.

### 2.2 Sustainability and Decarbonization

The industry is prioritizing sustainability, with a focus on reducing carbon emissions and adopting eco-friendly practices. The transition to low-carbon shipping is accelerating, driven by regulatory pressures and consumer demand for greener logistics solutions.

Efforts to decarbonize maritime transport are gaining momentum. The adoption of alternative fuels, such as liquefied natural gas (LNG) and hydrogen, is increasing. Additionally, investments in energy-efficient technologies and infrastructure are supporting the industry's sustainability goals.

### 2.3 Supply Chain Resilience

The global supply chain is becoming more resilient in response to recent disruptions. Companies are diversifying their supply sources, investing in robust logistics networks, and enhancing risk management practices. These strategies are aimed at mitigating the impact of geopolitical tensions, climate change, and other unforeseen events.

Geopolitical tensions, particularly in key maritime chokepoints like the Suez and Panama Canals, are influencing shipping routes and costs. The industry is adapting by rerouting vessels and investing in alternative pathways to ensure continuity of trade.

### 2.4 Last-Mile Delivery and E-commerce

The rise in e-commerce has intensified the focus on last-mile delivery solutions. Innovations in delivery technologies, such as drones and autonomous vehicles, are enhancing efficiency and customer satisfaction. Companies are also optimizing their logistics networks to meet the growing demand for fast and reliable delivery services.

Sources:

[Six Trends For Shipping And Logistics Globally In 2024 And Beyond](#)  
[Review of Maritime Transport 2024](#)

The e-commerce sector continues to expand, driving demand for advanced logistics solutions. This growth is prompting investments in warehousing, distribution centers, and digital platforms to support seamless order fulfillment.

### 2.5 Cybersecurity

As digitalization increases, so does the need for robust cybersecurity measures. The industry is investing in advanced security protocols to protect sensitive data and ensure the integrity of digital systems. Cybersecurity has become a critical component of operational strategy, safeguarding against potential threats and vulnerabilities.

## 3. Performance of the Maldives Economy

The Maldivian economy demonstrated resilience and growth in 2024, driven primarily by the robust performance of the tourism sector. Despite facing fiscal challenges and external pressures, the economy managed to achieve significant milestones, reflecting its adaptability and potential for sustained growth.

### 3.1 Economic Growth

The Maldivian economy grew by 5.1% in 2024, up from 4.7% in 2023. This growth was largely fueled by the tourism sector, which saw record-breaking tourist arrivals and increased activity in related sectors such as transportation, communication, and retail.

The Maldives welcomed over 2 million tourists for the first time, with significant contributions from key markets such as China, Russia, the UK, and Germany. The tourism sector's strong performance was a critical driver of economic growth and employment.

### 3.2 Inflation and Fiscal Performance

Inflation decelerated to an average of 1.4% in 2024, down from 2.9% in 2023. This decline was primarily due to lower prices in information and communication services and government discounts on utility bills during Ramadan. However, prices for food, tobacco, and restaurant services continued to rise, reflecting ongoing cost pressures in these areas.

The fiscal deficit widened to 14.1% of GDP, driven by increased recurrent expenditure and delayed

expenditure consolidation. While tax revenues, particularly from tourism-related taxes, performed strongly, capital spending declined. Public debt reached MVR 145 billion, or 133.5% of GDP, including guarantees.

### 3.3 External Sector and Reserves

The Maldives faced challenges with declining foreign exchange reserves, which raised concerns about liquidity and solvency. However, a US\$400 million currency swap obtained from the Reserve Bank of India provided some relief. The Maldives Monetary Authority (MMA) reduced the minimum reserve requirement on foreign currency deposits from 10% to 7.5% to ease pressure on the dollar supply.

Despite the strong performance of the tourism sector, Moody's Investors Service downgraded the Maldives' long-term credit rating from Caa1 to Caa2, citing increased risks of default due to substantial debt repayments due in 2025 and 2026. The government has reiterated its commitment to addressing fiscal vulnerabilities and meeting its external debt obligations.

### 3.4 Sectoral Performance

The services sector, closely linked to tourism, continued to thrive, contributing significantly to GDP growth. The financial sector remained stable, with 4% growth in banking assets and improvements in profitability. Insurance and finance companies also showed healthy performance.

Sources:

[MMA Annual Report 2024: Economy Grew 5.1%. Driven by Tourism and Services Report: Maldives' Year in Review – Major Economic Developments of 2024](#)

## 4. Operational Performance

Maldives Ports Limited (MPL) has demonstrated significant improvements in operational performance in 2024, driven by strategic initiatives, investments in infrastructure, and technological advancements. These efforts have enhanced efficiency, increased cargo volumes, and improved overall port operations.

### 4.1 Key Metrics

MPL's Group Revenue demonstrated a strong upward trend in 2024, with total revenue reaching MVR 860,557,644, marking an 8.5% increase compared to MVR 793,235,742 in 2023. This growth was primarily driven by higher volumes in loading and unloading cargo services, which contributed approximately 63.5% of total revenue, alongside steady performance in ship arrival and pilotage services (13.12%) and clearing goods (8.2%). Additional contributions came from empty container and vessel departure services (8.3%), utility sales (4.78%), and equipment hiring charges (1.23%), reflecting MPL's ability to leverage multiple income streams for sustained financial growth.

A significant increase of 5% was also achieved from total throughput units during 2024 compared to the previous year. Total movement of units (containers) also increased by 4% during 2024.

Enhanced port utilization rates have been achieved through strategic investments in infrastructure and optimized transport links. These measures have reduced congestion and improved overall port operations.

The average vessel turnaround time has increased compared to the previous year. Investments in automation and digitalization have streamlined operations, reducing delays and enhancing productivity.

### 4.2 Year-on-Year Performance

Comparing the performance with previous years, 2024 has shown a marked improvement in operational metrics. The increase in cargo handling, better port utilization rates, and improved connectivity highlight MPL's recovery and stabilization after the disruptions caused by the COVID-19 pandemic.

## 5. Challenges and Opportunities

### 5.1 Challenges

Geopolitical Tensions: Geopolitical conflicts, particularly in key maritime chokepoints like the Suez and Panama Canals, have disrupted global supply chains. These tensions have led to rerouted vessels, increased shipping costs, and heightened risks for vulnerable economies.

Environmental Regulations: Stricter environmental regulations are compelling the industry to invest heavily in clean and sustainable technologies. Compliance with these regulations requires significant capital expenditure, impacting profit margins and operational flexibility.

Inflation: Rising inflation rates have affected all sectors of the economy, including maritime transport. Increased costs for fuel, food, and other inputs are putting pressure on shipping operators' margins, necessitating strategic adjustments to maintain profitability.

Container Shortage: The global container shortage, exacerbated by the COVID-19 pandemic, the war in Ukraine, and the rise of e-commerce, continues to challenge the industry. This shortage has disrupted supply chains and increased operational costs.

Supply Chain Disruptions: The war in Ukraine has closed ports and disrupted global supply chains, leading to increased transit times and costs. These disruptions have highlighted the need for more resilient and flexible logistics networks.

### 5.2 Opportunities

E-commerce Growth: The rapid growth of e-commerce is driving demand for ocean transportation. This trend presents significant opportunities for shipping operators to expand their services and optimize their logistics networks to meet the increasing demand for fast and reliable delivery.

Transition to Renewable Energy: The industry's shift towards renewable energy sources, such as LNG and hydrogen, is gaining momentum. Green corridors are being developed for international routes, offering opportunities for operators to reduce greenhouse gas emissions and enhance sustainability.

Digitalization and Automation: The adoption of digitalization and automation technologies is revolutionizing maritime operations. These innovations are improving efficiency, reducing costs, and enhancing supply chain visibility, providing a competitive edge for early adopters.

Alternative Maritime Routes: The development of alternative maritime routes and the expansion of e-commerce are opening new possibilities for growth and diversification in the sector. These routes offer strategic advantages in terms of reduced transit times and costs, enhancing global trade connectivity.

Resilience Strategies: Companies are investing in robust logistics networks and enhancing risk management practices to build more resilient supply chains. These strategies are aimed at mitigating the impact of geopolitical tensions, climate change, and other unforeseen events.

Sources:

[Review of Maritime Transport 2024](#)

[Challenges and opportunities in maritime transport for 2024](#)

## 6. Strategic Initiatives

In 2024, Maldives Ports Limited (MPL) undertook several strategic initiatives aimed at enhancing its operational efficiency, expanding its infrastructure, and strengthening its position as a key player in the global logistics and maritime sectors. These initiatives reflect MPL's commitment to innovation, sustainability, and economic growth.

### 6.1 Development of Cruise Terminals

MPL announced ambitious plans to develop cruise terminals at four strategic locations across the Maldives: Uligan (Haa Alif Atoll), Fonadhoo (Laamu Atoll), Hithadhoo (Addu City), and Thilafushi (Kaafu Atoll). These terminals are expected to enhance the country's growing cruise tourism sector by providing more convenient docking facilities and improving the overall visitor experience. Feasibility studies are underway, and MPL has already signed agreements with local councils to facilitate these developments.

### 6.2 Sea-to-Air Cargo Service

Launched in March 2024, the Sea-to-Air Cargo Service leverages the Maldives' strategic location to seamlessly connect sea cargo with air transportation. This initiative has significantly improved efficiency and strengthened

the Maldives' position in international trade. By the end of 2024, the service had successfully handled over 1,078 tonnes of cargo, equivalent to 258 TEUs (twenty-foot equivalent units). The integration of maritime and aviation logistics has expanded the reach and capacity of the service, involving multiple international airlines.

### 6.3 Infrastructure Upgrades

MPL continued to invest in upgrading its port infrastructure to accommodate increasing cargo volumes and improve operational efficiency. Key projects included the expansion of container handling facilities and the modernization of port equipment. These upgrades are essential for maintaining the competitiveness of Maldivian ports and supporting the country's economic growth.

### 6.4 Sustainability Initiatives

MPL has prioritized sustainability in its strategic initiatives, focusing on reducing carbon emissions and adopting eco-friendly practices. Investments in renewable energy sources, such as solar power, and energy-efficient technologies are central to these efforts. MPL is also exploring the use of alternative fuels for its fleet to further reduce its environmental footprint.

## 6.5 Digital Transformation

MPL is embracing digitalization and automation to enhance operational efficiency and customer service. The implementation of advanced digital solutions, such as real-time shipment tracking and automated port operations, is streamlining processes and reducing operational costs. These innovations are critical for maintaining MPL's competitive edge in the global logistics industry.

Sources:

[MPL Unveils Plans for Cruise Terminals in Four Strategic Locations](#)

[Maldives Sea-to-Air Cargo Service Handles Over 1,078 Tonnes in 2024](#)

## 7. Risk Management

The maritime and logistics industries face a complex array of risks in 2024, necessitating robust risk management strategies to ensure operational resilience and sustainability. Key risks include geopolitical tensions, regulatory changes, environmental challenges, and cybersecurity threats.

### 7.1 Geopolitical Risks

Ongoing conflicts in key maritime regions, such as the Middle East and Eastern Europe, continue to disrupt global supply chains. These tensions have led to rerouted vessels, increased shipping costs, and heightened risks for vulnerable economies. Companies are implementing contingency plans and diversifying supply routes to mitigate these impacts.

Trade tensions between major economies, including the US and China, pose significant risks to global trade. Potential new tariffs and regulatory restrictions could further complicate supply chain operations. Firms are investing in strategic partnerships and alternative markets to navigate these challenges.

### 7.2 Regulatory Risks

Stricter environmental regulations are compelling the industry to invest heavily in clean and sustainable technologies. Compliance with these regulations requires significant capital expenditure, impacting profit margins and operational flexibility. Companies are adopting advanced technologies and practices to meet regulatory standards and enhance sustainability.

The increasing burden of cybersecurity regulations is a major concern for the industry. Firms are investing in robust cybersecurity measures to protect sensitive data and ensure the integrity of digital systems. These investments are critical to safeguarding against potential threats and vulnerabilities.

### 7.3 Environmental Risks

Climate change poses significant risks to maritime operations, including rising sea levels, extreme weather events, and disruptions to shipping routes. Companies are enhancing their infrastructure and adopting resilient practices to mitigate these impacts. Investments in sustainable technologies and practices are essential to future-proofing operations.

Fluctuations in energy prices, driven by geopolitical conflicts, have placed considerable strain on operational budgets. Companies are exploring alternative energy sources and investing in energy-efficient technologies to manage these risks.

### 7.4 Cybersecurity Risks

As digitalization increases, so does the need for robust cybersecurity measures. The industry is investing in advanced security protocols to protect sensitive data and ensure the integrity of digital systems. Cybersecurity has become a critical component of operational strategy, safeguarding against potential threats and vulnerabilities.

The risk of data breaches is a growing concern, with potential impacts on operational continuity and reputation. Firms are implementing comprehensive cybersecurity frameworks to detect, prevent, and respond to cyber incidents.

Sources:

[Review of Maritime Transport 2024](#)

[Global Transportation and Logistics Risk Report 2024/2025](#)

## 8. Risk Mitigation Strategies

**Diversification:** Companies are diversifying their supply sources and routes to mitigate geopolitical and trade risks. This strategy enhances resilience and reduces dependency on vulnerable regions.

**Investment in Technology:** Investment in advanced technologies, including AI, blockchain, and automation, is critical for managing and mitigating risks. These technologies improve efficiency, enhance supply chain visibility, and reduce operational costs.

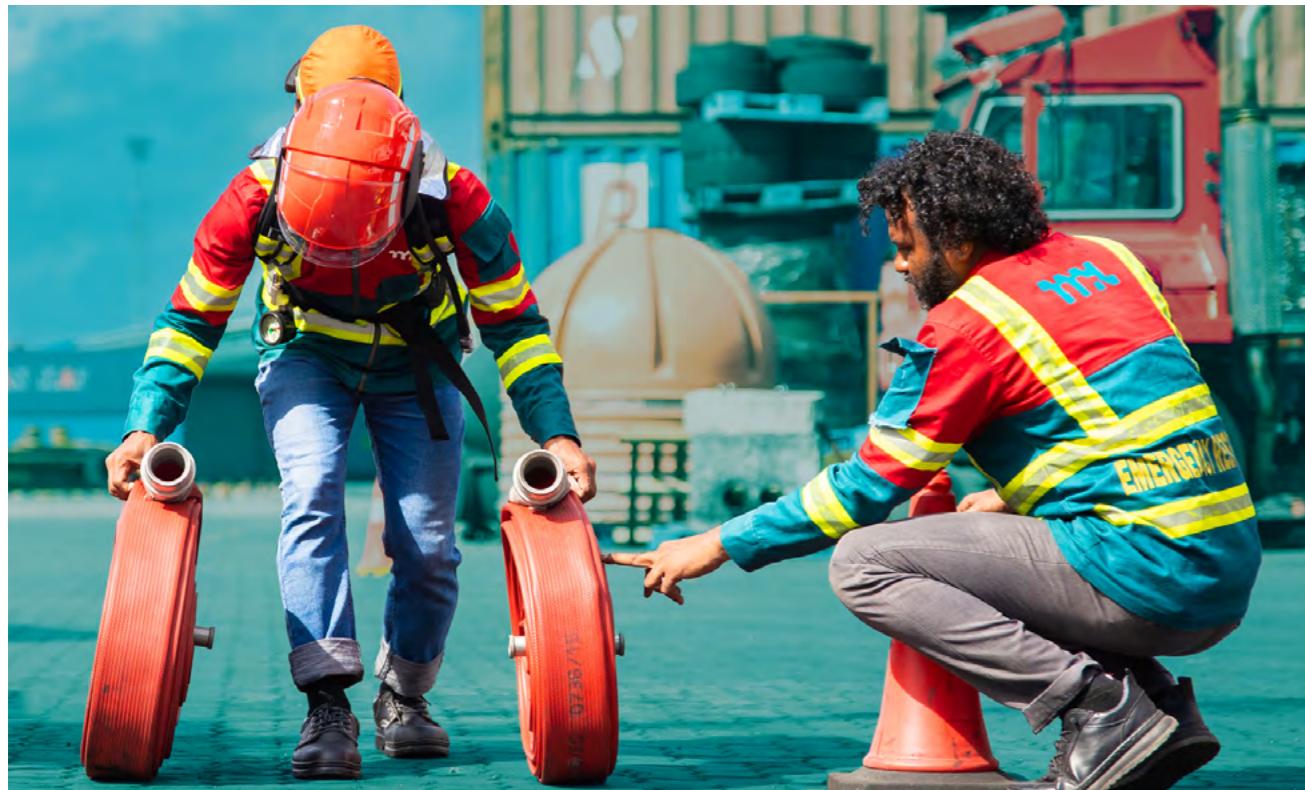
**Sustainability Initiatives:** Firms are prioritizing sustainability initiatives to comply with environmental regulations and reduce their carbon footprint. Investments in renewable energy sources and energy-efficient technologies are key components of these initiatives.

**Cybersecurity Measures:** Robust cybersecurity measures are essential for protecting sensitive data and ensuring operational continuity. Companies are adopting advanced security protocols and frameworks to safeguard against cyber threats.

Sources:

[Review of Maritime Transport 2024](#)

[Global Transportation and Logistics Risk Report 2024/2025](#)



## 9. Capital Management Review

Introduction to Capital Management Review in the Context of Maritime Port Management in the Maldives

In the evolving landscape of global maritime logistics, the Maldives Ports Limited (MPL), a state-owned enterprise, stands at a critical juncture where sustainable development and operational efficiency must converge. The adoption of the International Integrated Reporting Council's (IIRC) Reporting Framework underscores MPL's commitment to transparent and comprehensive value creation. This capital management review delves into the significance and strategic implications of managing Financial Capital, Manufactured Capital, Intellectual Capital, and Social and Relationship Capital within the unique context of maritime port operations in the Maldives.

**Financial Capital** is the lifeblood of any enterprise, encompassing funds obtained through financing and operations. For MPL, efficient financial capital management is imperative, especially given the high costs associated with port infrastructure development and modernization. This review will explore how MPL allocates and optimizes financial resources to balance the pressing need for port expansion with the fiscal prudence required to sustain long-term growth. The financial strategies adopted will reflect on capital investments, revenue generation from port services, and managing economic risks in an environment prone to geopolitical and climate-induced uncertainties.

**Manufactured Capital** refers to the physical infrastructure and technological assets that enable MPL's operations. In the context of the Maldives,

where the existing port facilities operate beyond their ideal capacity, the emphasis on manufactured capital is crucial. This section will assess MPL's strategies for upgrading port facilities, incorporating automation, and enhancing operational efficiency. The review will also consider the environmental impact of port activities and the sustainable practices implemented to mitigate adverse effects on the fragile marine ecosystem.

**Intellectual Capital** encompasses the knowledge, innovation, and expertise that drive MPL's competitive edge. Given the rapid advancements in maritime technology and logistics, MPL's ability to harness intellectual capital is vital for staying ahead. This review will examine how MPL fosters a culture of continuous learning and innovation, invests in employee training, and leverages technological advancements to improve operational processes. The strategic management of intellectual capital is critical for adapting to industry changes and enhancing the port's service offerings.

**Social and Relationship Capital** involves the networks and relationships that MPL maintains with its stakeholders, including employees, customers, suppliers, and the local community. In the Maldives, where the maritime sector significantly impacts socio-economic conditions, MPL's approach to social and relationship capital is integral to its success. This section will explore how MPL engages with stakeholders, upholds corporate social responsibility, and contributes to community development. Effective management of social and relationship capital not only fosters goodwill but also ensures MPL's operations align with broader societal goals.

In conclusion, the capital management review within MPL's ESG report, compliant with the IIRC framework, provides a holistic evaluation of how the enterprise manages and utilizes its resources. By focusing on the interplay between financial, manufactured, intellectual, and social and relationship capitals, MPL aims to achieve sustainable development, operational excellence, and robust stakeholder engagement in the dynamic maritime sector of the Maldives. This integrated approach not only enhances transparency but also fortifies MPL's position as a responsible and forward-thinking port operator.

## 10. Manufactured Capital

Manufactured capital is the lifeblood of MPL's operations. It consists of the physical assets encompassing all movable and immovable port infrastructure as well as the IT systems and network architecture that enable the Company to carry out its core business operations as a provider of port services.

### 10.1 Management Approach

Given the critical role it plays in MPL's business model, the Company maintains a strategic approach to developing its Manufactured Capital in order to create a unique value proposition that is equipped to meet growing demand for world-class port services in the Indian Ocean region. This approach involves continuous investment in state-of-the-art infrastructure and technology, ensuring that MPL remains at the forefront of the maritime industry. By focusing on innovation and efficiency, MPL aims to enhance its operational capabilities and provide superior service to its customers.



### 10.2 Port Infrastructure

Since its inception over 38 years ago, MPL has strategically grown its footprint through investments in the latest port infrastructure. Today, MPL's footprint is represented by the Company's flagship operation - the Male' Commercial Harbour as well as the Hulhumale International Terminal. In addition, MPL also manages Kulhudhufushi Regional port, located in the second Northernmost atoll in the Maldives and the Hithadhoo Regional Port located in the Addu Atoll, the southernmost atoll in the Maldives.

Male' Commercial Harbour (MCH) is the main port in the Maldives. Strategically located at the North-West Corner of Malé Island, MCH has a quay length of 102m with a depth of CD -9.25 meters. Additionally, the port has a barge quay on both the east and west-end of the port of approximately 75 m in length, with a depth of -6.5m. All port activities, from docking, clearing to storage are provided from the MCH facility. The port has undergone significant upgrades to enhance its capacity and efficiency, ensuring that it can handle the increasing volume of cargo and meet the demands of the growing economy.

Hulhumale International Terminal (HMT) is a strategic venture of MPL consisting of terminal facilities fully compliant with ISPS standards. With a total berth length of 180m, open storage capacity of 1,200 TEU's and empty container storage capacity of 1,200 TEU's, along with advanced cold storage facilities, HMT plays a vital role in catering to the economic activities and growth resulting from the urban development and housing projects currently under development

on Hulhumalé Island. This supports the smooth flow of cargo to prevent container congestion at Male' Commercial Harbor. The terminal has been equipped with modern handling equipment and technology to ensure efficient and safe operations, making it a key asset in MPL's portfolio.

Kulhudhufushi Regional Port (KRP) located on Kulhudhufushi Island, also known as the economic capital of the North, began operations on 5th December 2005. KRP serves as a hub in managing domestic, inter-island maritime trade and distribution activities within the northern region, including playing an important role in supporting the transportation of goods and merchant trade from the central capital Male' to the northern area. The port also offers maintenance services for larger vessels and has expanded its cargo handling capabilities. KRP's strategic location and enhanced facilities make it a crucial component in MPL's network, facilitating trade and commerce in the northern Maldives.

Hithadhoo Regional Port (HRP) located in Addu Atoll, came into operation in July 2009. Since then, HRP has been the main distribution hub in the southern region for containerized, general cargo. HRP, which is fully equipped to facilitate commercial cargo handling and storage-related services and operates in compliance with the International Ship and Port Facility Security Code (ISPS Code), is positioned as a highly cost-effective solution for businesses and industries established in the area. HRP's strategic importance lies in its ability to support the economic activities in the southern Maldives, providing a reliable and efficient gateway for trade.

## 10.3 IT Systems

In 2024, Maldives Ports Limited (MPL) reaffirmed its commitment to technology as a key driver of operational efficiency, transparency and service excellence. The company made significant progress in strengthening its digital infrastructure, with all core systems developed and maintained in-house. This strategic approach enabled MPL to respond swiftly to regulatory and operational policy updates, while ensuring systems remained aligned with national standards and evolving customer needs.

### 10.31. New Digital Platforms and System Implementations

- Launched the Maldives Maritime Conference and Northern Maritime Service websites.
- Redesigned the company's official website to improve public access to essential information while enhancing security.
- Introduced an online portal for vehicle rental requests and payments, streamlining service access for customers.
- Developed and implemented the Sea to Air Transshipment process within the internal port system and customer portal to support this new service.

### 10.32. Port System Expansion and Module Enhancements

- Implemented additional modules and necessary changes to the core Port Management System to accommodate updated tariffs and evolving operational needs.
- Software deployment and system implementation were carried out at Kulhudhufushi Port and Hithadhoo Port, including:

- A new Human Resource Management System (HRMS).
- Document Management System (DMS) and Work Order Management System.
- Tools Management Module added to the work order system.
- Ticketing module and enhancements to HR software.

#### 10.33. Organizational Technology Initiatives

- Established a Data Analytics and Engineering Unit to extract and analyze static data from enterprise systems to support strategic decision-making.
- Formed a Call Center Unit to strengthen communication between MPL's services and its customers.
- Participated in the National Single Window initiative, completing Phase 1 of the integration.

## 10.4 Way Forward

Given that space constraints remain a major challenge for expanding operations at MCH, the Company has made a strategic decision to develop Thilafushi Port Project in Thilafushi, Kaafu Atoll. The project, which is estimated to cost in excess of USD 220 million, is aimed at establishing a modern, efficient, and sustainable port that can accommodate large bulk cargo vessels and container cargo carrying vessels. Upon completion of its construction, the newly constructed port will temporarily serve all cargo operations currently carried out at Malé Commercial Harbour, excluding general/conventional cargo. This strategic initiative is expected to significantly enhance MPL's capacity and operational efficiency, ensuring that the Company can meet the

growing demands of the maritime industry and support the economic development of the Maldives.

## 11. Intellectual Capital

Intellectual Capital encompasses MPL's intangible assets, including the strength of the MPL brand, foundational values, culture, and unique attributes such as systems, processes, best practices, and digital innovation. These elements collectively provide the Company with a distinct competitive edge.

MPL's strategy for managing its Intellectual Capital focuses on enhancing the unique characteristics that distinguish the Company from its peers.

### 11.1 Brand Reputation

The Maldives Port (MPL) brand reputation is synonymous with efficiency, reliability, and sustainability. As the gateway to one of the world's most sought-after destinations, MPL has consistently upheld its reputation for smooth operations and seamless logistics. With state-of-the-art facilities and a commitment to environmental conservation, the MPL brand has earned acclaim for their eco-friendly practices, catering to the delicate marine ecosystem of the archipelago. Moreover, its strategic location in the Indian Ocean has positioned Maldives Port as a vital hub for international trade, further enhancing the Company's standing in the global maritime community. Whether facilitating tourism or driving trade, the MPL brand continues to play a crucial role in supporting the national economy.

Ongoing efforts to bolster economic growth in the Maldives has prompted MPL to undertake significant capacity expansion over the years. The Company has

begun relocation of its commercial port to Thilafushi. This port migration, once completed, will enhance logistical operations, streamline processes, and improve efficiency in cargo handling. The anticipated benefits of this migration include improved connectivity, reduced transit times, and increased capacity to accommodate growing trade demands. Optimized logistics operations will not only facilitate smoother trade but also attract more investment. MPL's presence in Thilafushi is expected to create growth opportunities for local businesses and entrepreneurs, driving productivity, job creation, and overall prosperity across multiple sectors, positively impacting economic growth and development for the Maldives as a whole.

### 11.2 Digital Innovation

The significance of digitization and digital innovation in port operations is immense in today's fast-changing maritime industry. Digital technologies provide ports with the chance to boost efficiency, streamline processes, and enhance overall performance. Additionally, digitization improves coordination and communication among various stakeholders, such as shipping lines, terminal operators, customs authorities, and transport providers, leading to smoother and more synchronized supply chain management. Data-driven digital tools also offer valuable insights into traffic patterns, demand fluctuations, and infrastructure needs, enabling smart decision-making to proactively tackle challenges and seize opportunities. Adopting digital technologies enhances port security and safety measures, with advanced surveillance systems and risk assessment tools helping to mitigate risks and ensure compliance with regulatory standards. Given these numerous benefits, MPL leverages digital innovation

not just for modernization but as a strategic imperative to remain competitive, resilient, and future-ready.

### 11.3 Standards and Certifications

MPL acknowledges the benefits of adopting global standards and certifications, which enhance credibility and reputation both locally and internationally. Compliance with global standards also underscores the Company's commitment to quality and best practices, contributing to building trust with customers, partners, and stakeholders. Moreover, certifications designed to streamline internal processes and operations lead to increased efficiency and productivity, fostering innovation and continuous improvement to stay current with industry trends.

MPL operates in alignment with international standards, particularly those mandated by the International Maritime Organization (IMO), which includes adherence to regulations and guidelines related to safety, security, and environmental sustainability. The Company believes that its long-standing commitment to global standards not only strengthens its competitive position against regional peers but also creates opportunities to access new markets, as many international contracts and partnerships require certification compliance as a prerequisite.

### 11.4 Business Continuity Planning and Disaster Recovery

A comprehensive, formally documented Business Continuity Plan (BCP) along with a robust Disaster Recovery (DR) architecture work seamlessly together to ensure uninterrupted operations across all Maldives Ports locations.

In 2024, the Company allocated significant resources to ensure swift response and service restoration for its

technology infrastructure, further strengthening the backup capacity of its DR architecture and installing additional safeguards to address ransomware concerns.

### 11.5 Ethics and Integrity

The MPL brand has always been synonymous with a strong commitment to ethics and integrity. The Company recognizes that maintaining integrity is essential for building trust among stakeholders, including customers, partners, employees, and the wider community. Upholding the highest standards of ethical conduct is not just about compliance but a fundamental principle deeply ingrained in MPL's culture and the cornerstone of its operations, guiding every decision and action.

The Board sets the tone from the top to promote business ethics with clear policies to ensure that ethical considerations are integrated into every aspect of its business practices. Based on the Board's guidance, the Company's Technology & Digital Services Department enforces ethics at all levels of the organization, while regular training empowers employees to act with honesty, transparency, and fairness in all their dealings on behalf of the Company.

### 11.6 Way Forward

Looking ahead, MPL will strive to further enhance its competitive position through broad-based efforts to build brand equity. These efforts will mainly involve process transformation across the full spectrum of digital innovation, from data analytics to IoT-driven smart systems.

## 12. Financial Capital

The Group's Financial Capital encompasses diverse elements such as retained earnings, shareholder investments, debt financing, and revenue from port operations, collectively underpinning the company's financial stability and growth.

- S** Sustained profitability and strong balance sheet
- W** Reliance on high borrowings
- O** Pursue diversification of revenue streams
- T** Risks associated with exchange rate fluctuations and their impact on overseas borrowings

### 12.1 Management Approach

The Group's approach to managing its Financial Capital is based on allocation of resources and fiscal discipline in order to ensure the availability of adequate cash flows to sustain its current operations as well as to pursue growth and future business expansion.



## 12.2 Revenue

In 2024, the Group demonstrated a healthy revenue performance, with a notable surge compared to the previous year. Ending the fiscal year on December 31st, 2024, the Group tabled revenue of MVR 860,557,644 marking a significant increase from MVR 793,235,742 recorded in 2023..

The first largest contributor to the Group's revenue in the current year was loading and unloading cargo services, which accounted for around 63.5% to aggregate revenue. Ship arrival and pilotage services account for approximately 13.12% of the revenue, while clearing goods make up about 8.2%. Revenue on Empty containers and Vessel Departure is 8.3% of the Revenue. Income from the sale of electricity and water represents around 4.78% of the total revenue, and vessel and other equipment hiring charges contribute approximately 1.23%. These percentages underscore the balanced revenue composition of the Group, demonstrating its ability to leverage multiple income streams for sustained financial growth and stability.

## 12.3 Other Operating Expenses

A notable shift in the Group's Other Operating Expenses was seen in 2024, with the Company reporting expenditures totaling MVR 235,563,059 for the year ending 31st December 2024, denoting a 24.5% increase from the MVR 189,190,603 recorded in the preceding year of 2023.

## 12.4 Staff Cost

Staff Cost reflected a 4.6% increase year on year from MVR 645,966,649 in 2023, to MVR 675,764,200 in the year under review, as a consequence of additional recruitments and salary increments granted during the year.

## 12.5 Results from Operating Activities

The Group's Results from Operating Activities declined to MVR 20,008,375 for the year ending 31st December 2024, a notable 75.2% drop from the MVR 80,713,790 reported in 2023—the consequence of higher expenses and provisions.

## 12.6 Finance Costs

Finance costs increased to MVR 36,854,681 in 2024 from MVR 32,305,702 in 2023, representing a rise of approximately 14.1%, primarily due to higher borrowings to fund infrastructure investments. However, the increase in finance costs were largely offset by the increase in finance income from MVR 15,836,466 in 2023 to MVR 55,684,458 in 2024, representing an expansion of approximately 252%.

## 12.7 Profit Before Tax (PBT)

In the fiscal year ending 31st December, 2024, the Group reported PBT of MVR 38,838,153, indicating a 39.5% decrease from MVR 64,244,554 recorded in 2023. The decline in PBT is directly attributed to the decrease in operating results, as explained above.

## 12.8 Profit After Tax (PAT)

The Group reported PAT of MVR 27,839,736 for FY 2024, demonstrating a significant decrease from MVR 49,474,301 recorded in 2023, representing a decline of approximately 43.7%. The reduction in PAT parallels the decline in PBT, highlighting the factors influencing the Group's pre-tax profitability, and also affected its after-tax earnings.

Meanwhile on the back of lower PAT, EPS declined to 6.94 in 2024 from 10.45 in 2023.

## 12.9 Total Assets

For the year ended 31st December 2024, the Group's total assets amounted to MVR 2,251,337,450, marking a 15.9% increase from the previous year's figure of MVR 1,941,784,531. Furthermore, for the same period, non-current assets surged to MVR 1,849,680,777 from MVR 1,468,997,187 in 2023, reflecting an increase of approximately 25.9%. Current assets declined 15% to 401,656,673 in 2024 from MVR 472,787,344 in 2023,

Meanwhile, the current ratio decreased from 0.93 in 2023 to 0.57 in 2024, while the quick asset ratio decreased to 0.47 in the current year from 0.78 in the previous financial year.

## 12.10 Total Liabilities

The Group's total liability amounted to MVR 1,161,179,759, marking a 38.7% increase in the MVR 837,278,136 tabled in the previous financial year. The increase was largely as a result in purchase of land with the agreement to construct an international, local and bulk port in Thilafushi Island.

Consequently, the Group's debt-to-equity ratio decreased to 0.17 in 2024 from 0.19 recorded in 2023.

## 12.11 Other Key Ratios

### 12.11.1 ROE

Return on Equity Ratio of the Group has been reduced to 2% in 2024 against the 8 % of the previous year 2023. This is because of the reduction in operating profits during the current year.

### 12.11.2 Return on Capital employed

Return on Capital Employed Ratio of the Group has been reduced to 1 % in 2024 against the 6% of the

previous year 2023. This is because of the reduction in operating profits during the current year.

## 12.12 Way Forward

In the future MPL Group will continue to prioritize investments in port infrastructure to boost efficiency, capacity, and competitiveness. To support these efforts the Group will look to strengthen cashflows by diversifying its revenue streams. At the same time, the Group will consider exploring partnerships to finance infrastructure development, sharing investment risks with private sector entities while accessing expertise and innovative financing mechanisms. Moreover, ensuring long-term financial sustainability and resilience will be key, with the Group adopting measures such as budgetary discipline, cost control, and debt management strategies to maintain a healthy balance sheet.

## 12.13 Human Capital

Human Capital comprises the skills, knowledge, and talent of MPL's employees that together contribute towards growing and sustaining port operations.

**S** Strong employee value proposition, including robust benefits and healthy work-life balance programs.

**W** Skill gaps among current employees

**O** Invest in professional development of employees

**T** Difficulty in retaining top talent due to the dynamic nature of the maritime industry

## 12.14 Management Approach

MPL's approach to managing its Human Capital aims to attract and retain top talent by supporting employees to perform optimally in their designated roles, in turn empowering them to achieve their personal career aspirations.

## 12.15 Workforce Statistics for FY 2024

Workforce - By Gender	Male	Female	Total
	2205	449	2654

Workforce - By Age	Age Group	Male	Female	Total
	18-30 years	652	138	790
	31-55 years	1377	284	1661
	Above 56 years	176	27	203

Workforce - By Location	Location	Male	Female	Total
	Male'	2132	438	2570
	Hulhumale'	32	10	42
	Thilafushi	41	1	42

Workforce - By Category	Category	Male	Female	Total
	Executive	38	5	43
	Managerial	132	41	173
	Supervisory / Administrative	1382	292	1674
	Support	653	111	764

**Strengths**  
Strong employee value proposition, including robust benefits and healthy work-life balance programs.



**Opportunities**  
Invest in the professional development of employees.



**Weaknesses**  
Skill gaps among current employees.



**Threats**  
Difficulty in retaining top talent due to the dynamic nature of the maritime industry



## 13. Regulatory Compliance

Regulatory compliance plays an anchoring role in MPL's efforts to establish a conducive work environment for its employees. The Company's operations are subject to several labour laws in the Maldives, including Employment Act of the Maldives and the Regulation on Employment of Expatriate Workers.

In 2024, existing SOPs were updated to include detailed step by step guidelines on the process of recruiting expatriates and submitting work permits and work visa applications. By the conclusion of the financial year, the Company processed a total of 23 work permits processed through the Expat system.

No incidents of non-compliance with labour regulations were reported in the current financial year.

### 13.1 Best Practices

As a responsible employer, MPL goes beyond compliance to actively embrace global best practices for labour as stipulated by the ILO convention and the UN Global Compact.

Accordingly, the Company has a strict policy against child labour and employs only individuals of legal age. Similarly, the Company is against forced or compulsory labour.

Further, by embracing the principle of non-discriminatory employment, MPL stands as a champion for equal



opportunity and does not discriminate based on age, gender, marital status, religious beliefs, or any other stays protected by law. These principles are applied without exception at all stages of the employees' journey at MPL from recruitment, selection, performance evaluation, promotion, training, and development.

## 13.2 HR Governance

All HR activities are managed centrally by MPL's HR team. The HR team is primarily responsible for implementing the Company's framework of HR policies covering all aspects of the employment life cycle from recruitment, compensation & benefits, performance management, and grievance handling. As part of their duties, the HR team together with the Policy Review Committee regularly reviews and updates the policy framework, as needed to further strengthen the Company's HR management protocols in line with the latest regulatory requirements, best practices, and industry trends.

Ongoing improvements to the policy framework in the current year saw several new policies being implemented. One notable development was the introduction of 'Women's Special Leave' in celebration of International Women's Day 2024. This policy grants one day of leave per month to all female employees, intended to support their physical and mental well-being during their menstrual period.

Another significant improvement was the 6th amendment to the Leave Policy, which introduced 'Terminal Illness Leave'. Under this provision, employees or their immediate family members diagnosed with a serious or terminal illness are entitled to up to six months of leave with basic salary, in the event that their regular leaves are exhausted during the course of treatment.

Further enhancements to the policy framework included amendments to the Retirement Policy. The Retirement Policy saw its 2nd and 3rd amendments, introducing updates aimed at refining retirement procedures and aligning them with evolving organizational needs.

## 13.3 Recruitment and Selection

In keeping with best practices, recruitment is undertaken in a systematic manner starting with the preparation of the Human Resources plan, encapsulating staff requirements of all departments. The main purpose of the Human Resources plan is to ensure that all departments are adequately staffed to support their growth plans.

Based on the input provided by HOD's (Heads of Department) indicating their recruitment, the finalized plan along with the relevant budget is prepared by the HR team and submitted for approval of the CEOs followed by the final sign-off by the Board. The Board approved the Human Resources plan and the budget serves as the basis for all recruitments in a particular year.

In line with their respective pre-approved human resource plan, the department focal point focal point is required to raise a Staff Requisition form via the HRM software to indicate staffing needs for approval by the respective HOD, which then kick starts the recruitment process.

MPL's selection processes are consistent with fair and equitable treatment of all applicants, ensuring candidates are selected on merit, based on their competence and character fit the respective business and the Company as a whole. In addition, the selection process is influenced by the following regulatory directives.

### Criminal record of applicants:

Individuals who are either under investigation for offences outlined in Act No. 17/2011 (Narcotics Drug Act) or have not been recorded by law enforcement for committing such offences within the previous year may be considered for employment. However, if concerns arise regarding a candidate's criminal record pertaining to the Narcotics Drug Act, the Company retains the prerogative to seek legal counsel and determine employment eligibility based on the nature of the issue. This approach ensures compliance with legal standards while accounting for the potential implications of a candidate's background on their suitability for employment.

### Residency status of applicants:

Prospective foreign employees are subject to employment procedures outlined by the Ministry of Economic Development prior to engagement with the company. This adherence to regulations governing the employment of foreign nationals facilitates a seamless and legally compliant hiring process.

In the current financial year, the entire recruitment process was further streamlined to bring more focus on closing persistent skills gaps for high level executive positions and also to reduce recruitment lead times for recruitment to supervisory and manual grades. In this regard, a series of focused recruitment strategies

were deployed to attract high-caliber executive-level candidates. To complement these efforts, the screening process was further strengthened with the introduction of psychometric tests followed by a multi-layered interview structure to determine the right skill match.

Meanwhile taking steps to reduce recruitment lead times, a wider range of channels were used to gain access to a larger talent pool to fill vacancies in the Clerical / Supervisory grades, while for the Manual Cadre, a simplified skills assessment mechanism was implemented to evaluate candidates' capabilities in key areas relevant to the role.

## 13.4 Remuneration and Benefits

MPL's grading and salary structure is aimed at attracting, motivating and retaining competent employees who would drive the Company's strategic and operational objectives. As such the Company remains committed to offering competitive remuneration and benefits to all employees in line with industry standards and in compliance with the statutory labour laws of the country. Moreover, as an equal opportunity employer, MPL offers equal compensation (1:1) for comparable roles regardless of gender.

New Hires – By Gender	Male	Female	Total
	498	164	662

New Hires – By Age	Age Group	Male	Female	Total
	18-30 years	247	65	312
	31-55 years	238	88	326
	Above 56 years	13	11	24

New Hires – By Location	Location	Male	Female	Total
	Male'	425	151	576
	Hulhumale'	5	13	18
	Thilafushi	68	0	68

Employee Turnover – By Gender	Male	Female	Total
	71	2	73

Employee Turnover – By Age	Age Group	Male	Female	Total
	18-30 years	38	2	40
	31-55 years	31	0	31
	Above 56 years	2	0	2

Employee Turnover – By Location	Location	Male	Female	Total
	Male'	65	1	66
	Hulhumale'	3	1	4
	Thilafushi	3	0	3

Employee Remuneration and Benefits			
Executives	Managerial	Supervisory / Administrative	Support
Basic Salary	Basic Salary	Basic Salary	Basic Salary
Service Allowance	Overtime	Overtime	Overtime
Professional Allowance	Extra Day	Extra Day	Extra Day
Long-term Allowance	Service Allowance	Service Allowance	Service Allowance
Monthly Fixed Allowance	Professional Allowance	Professional Allowance	Professional Allowance
Leadership & Management	Long-term Allowance	Long-term Allowance	Long-term Allowance
Management Performance Allowance	Monthly Fixed Allowance	Monthly Fixed Allowance	Monthly Fixed Allowance
Risk Allowance	Leadership & Management	Risk Allowance	Risk Allowance
Technical Allowance	Risk Allowance	Productivity Allowance (For Specific staffs)	Productivity Allowance (For Specific staffs)
Fixed Allowance	Productivity Allowance (For Specific staff)	Technical Allowance	Technical Allowance
Ferry Allowance Hulhumale	Technical Allowance	Fixed Allowance	Fixed Allowance
Financial Risk Allowance	Fixed Allowance	Ferry Allowance Villingili	Ferry Allowance Villingili
Adjustment Allowance	Ferry Allowance Villingili	Ferry Allowance Hulhumale	Ferry Allowance Hulhumale

Employee Remuneration and Benefits			
Executives	Managerial	Supervisory / Administrative	Support
Skills in Demand Allowance	Ferry Allowance Hulhumale	Risk and Hardship Allowance	Risk and Hardship Allowance
Risk Allowance (Fixed)	Risk and Hardship Allowance	Pilotage Allowance (For Specific staff)	Pilotage Allowance (For Specific staff)
Financial Performance Allowance	Pilotage Allowance	Clearance Allowance (For Specific staff)	Clearance Allowance (For Specific staff)
	Clearance Allowance (For Specific staff)	Financial Risk Allowance	Financial Risk Allowance
	Financial Risk Allowance	Salary Adjustment	Petrol Allowance
	Salary Adjustment	Petrol Allowance	Offshore Allowance
	Skills in Demand Allowance	Offshore Allowance	Scholarship Allowance
	Stevedoring (For Specific staff)	Skills in Demand Allowance	Food Allowance
		Scholarship Allowance	Daily Allowance
		Stevedoring (For Specific staff)	Living Allowance
	Pilot Surcharge (For Specific staff)		Laundry Allowance
		Strenuous Allowance (For Specific staff)	Stevedoring (For Specific staff)
	Pilot Surcharge (For Specific staff)		Pilot Surcharge (For Specific staff)
		Tug Surcharge (For Specific staff)	Strenuous Allowance (For Specific staff)
			Tug Surcharge (For Specific staff)

## 14. Performance Management

At MPL, performance management is regarded as a key tool for retaining talented employees and ensuring they remain invested and engaged in the Company's long-term success. In this regard, the performance management mechanism aims to promote goal congruence by encouraging employees to align with the Company's performance targets and strategic growth objectives for the short, medium, and long term.

The performance of Executives is evaluated based on individual Key Performance Indicators (KPIs), that cascade from the broader departmental objectives for a particular financial year. Heads of Department (HODs) are responsible for assigning KPIs to their team members and are expected to actively monitor performance throughout the year, identifying and addressing any gaps proactively. HOD's are also expected to be fully involved in monitoring employee performance on an ongoing basis throughout the year to identify and correct performance gaps.

The annual performance appraisal provides a formal opportunity to evaluate each employee's contributions to the Company's overall success. The annual appraisal also serves as a platform to determine skill gaps that call for additional training as well as for identifying high

Employees who demonstrate exceptional performance during the appraisal period may be rewarded through bonuses and other incentives. These high performers are also considered for career development opportunities to support their professional growth.

Performance evaluations for Administrative / Supervisory / Support Grade follows an MSCs approach, where employees' monthly performance is documented and further supported with ongoing communication between supervisors and employees to drive continuous improvement and enhance employee engagement. Supervisors are expected to conduct a formal annual review and comment on the performance of Administrative / Supervisory / Support grade employees under their purview. To maintain consistency, fairness, and effectiveness in evaluating support, administrative and supervisory staff, training programs have been implemented for supervisors and managers involved in the evaluation process.

KPIs are carried out for employees at grading structure level 12 and above, while MSCs are carried out those at level 11 and below.

Performance Appraisal	Category	Total number of employees in the category	Number of employees receiving the annual performance appraisal in 2023	%
	Executive	29	29	100
	Managerial	155	155	100
	Supervisory / Administrative	1104	1104	100
	Support	654	654	100

## 15. Training and Development

Operating a highly competitive and rapidly evolving global maritime value chain, MPL assigns top priority to training and development. Underscored by a comprehensive and dynamic training approach tailored to the unique needs of its workforce and the evolving demands of the maritime industry, MPL's training programmes focus on a combination of practical skills development, theoretical knowledge enhancement, and hands-on learning experiences. Leveraging state-of-the-art training facilities and qualified instructors, MPL ensures that employees receive the latest industry insights and best practices. Moreover, reinforcing the principle of continuous learning, the Company invests in diverse training opportunities to equip employees with the competencies needed to excel in their roles and contribute effectively to corporate success.

TRAINING FOCUS FY 2023		
Training Topic	Target Employee Category	No. of Participants
Writing Policies and Effective Procedures	Managers and In-charge level Staff	25
Being proactive in workplace relationships training batch 1	Office Attendants, Field Staffs	65
Being proactive in workplace relationships training batch 2	Office Attendants, Field Staffs	65
Business Writing Dhivehi Training	Administrative Level Staff	30
Fostering of Children in State Care Awareness session	All staff	47
Managing Organizational Change	Managers and In-charge level staff	44
Deaf Empowerment Training towards diverse workplace	Special Need Staff	12
Performance Management in Port Operations - Level 1 Training	Managers and In-charge level staff	29
First Aid Training MSHW	MSWH Staff	27
Supervisory Development Training Batch 1	Managers and In-charge level staff	56
Supervisory Development Training Batch 2	Managers and In-charge level staff	48
Public Speaking Training	General staff	25
"Fire Fighting Awareness Session" Training MSHW	MSWH Staff	20

TRAINING FOCUS FY 2023		
Training Topic	Target Employee Category	No. of Participants
First Aid Training MSHW	MNH Staff	25
"Presentation Skills and Microsoft PowerPoint" Training	General staff	15
Managing and Motivating People Batch 1	Managers and In-charge level staff	50
Managing and Motivating People Batch 2	Managers and In-charge level staff	52
Team Bulding Training Batch 1	Field Staff, Administrative Staff	114
Team Bulding Training Batch 2	Field Staff, Administrative Staff	101
Business Writing English Training	Administrative Level Staff	39
Customer Care Training Batch 1	General staff	60
Customer Care Training Batch 2	General staff	47
Basic Fire Fighting Training Batch 1	Field Staff, Administrative Staff	71
Basic Fire Fighting Training Batch 2	Field Staff, Administrative Staff	35
Basic Fire Fighting Training Batch 3	Field Staff, Administrative Staff	38
Basic Fire Fighting Training Batch 4	Field Staff, Administrative Staff	34
Basic Fire Fighting Training Batch 5	Field Staff, Administrative Staff	55
Maximizing Leadership, Creativity and Peak Performance Training	Managers and In-charge level staff	65
Safery, Security and Health at Workplace Training Batch 1	All Staff	63
Safery, Security and Health at Workplace Training Batch 2	All Staff	51
Safery, Security and Health at Workplace Training Batch 3	All Staff	68
Safery, Security and Health at Workplace Training Batch 4	All Staff	59

TRAINING FOCUS FY 2023		
Training Topic	Target Employee Category	No. of Participants
Safety, Security and Health at Workplace Training Batch 5	All Staff	82
Microsoft Training Batch 1	Administrative and Supervisor Level Staff	15
Microsoft Training Batch 2	Administrative and Supervisor Level Staff	15
Safety, Security and Health at Workplace Training Batch 4	All Staff	59
Safety, Security and Health at Workplace Training Batch 5	All Staff	82
Training on Ethics, Etiquettes and Behavior	General staff	57
Coaching and Counselling Training	Managers and In-charge level staff	55
Time Management Techniques for Creators and Creatives	General staff	56
Effective Communication Batch 1	Managers, and In-charge and Administrative level staff	55
Effective Communication Batch 2	Managers, and In-charge and Administrative level staff	37
Performance Management Batch 1	Managers and In-charge level staff	41
Performance Management Batch 2	Managers and In-charge level staff	48
Performance Management Batch 3	Managers and In-charge level staff	43
Performance Management Batch 4	Managers and In-charge level staff	41
Performance Management Batch 5	Managers and In-charge level staff	56
Performance Management Batch 6	Managers and In-charge level staff	33
First Aid Training Batch 1	All Staff	44
First Aid Training Batch 2	All Staff	48
First Aid Training Batch 3	All Staff	35

TRAINING FOCUS FY 2023		
Training Topic	Target Employee Category	No. of Participants
First Aid Training Batch 4	All Staff	32
First Aid Training Batch 5	All Staff	31
Mental Health Program - Dhamana Veshi	All Staff	65
Cyber Security Training Batch 1	All Staff	40
Cyber Security Training Batch 2	All Staff	35
Microsoft Office Training Batch 1	General staff	26
Microsoft Office Training Batch 2	General staff	22
Microsoft Office Training Batch 3	General staff	17
Microsoft Office Training Batch 4	General staff	12
Microsoft Office Training Batch 5	General staff	12
Communicating with Impact, Building Integrity and Ethical Excellence Batch 1	Managers and In-charge level staff	54
Communicating with Impact, Building Integrity and Ethical Excellence Batch 2	Managers and In-charge level staff	55
Communicating with Impact, Building Integrity and Ethical Excellence Batch 3	Managers and In-charge level staff	54
Art of positive thinking Batch 1	Managers, and In-charge and Administrative level staff	50
Art of positive thinking Batch 2	Managers, and In-charge and Administrative level staff	51
Art of positive thinking Batch 3	Managers, and In-charge and Administrative level staff	49
Interpersonal Skills and Time Management for Port workers	Managers, and In-charge and Administrative level staff	48
Coaching as Leader Training Program	Managers and In-charge level staff	56
Navigating Port Operations	Managers and In-charge level staff	19

## 16. Occupational Health and Safety

MPL prioritizes the health, safety, and well-being of its employees and all stakeholders operating within port premises. All operational activities at the port are conducted in strict compliance with the Occupational Safety and Health Act 2024, which serves as the primary regulatory framework governing employee and workplace safety.

In addition, MPL has adopted safety practices in alignment with OHSAS 18001: Occupational Health and Safety Standard, establishing a structured safety management system that includes a comprehensive safety manual and procedures for Hazard Identification and Risk Assessment (HIRA).

This framework ensures the safety of all personnel—land-based, on-board ship staff, and third parties—while on port premises. Employees are actively encouraged to remain vigilant and report safety hazards to the designated Safety Officer in accordance with the set reporting procedures.

### 16.1 Safety Monitoring and Preventive Measures

- Daily Safety Checks: Conducted by the HSE Officer, including routine foot patrols and inspections.
- Incident Management: All accidents and incidents are reported, documented, and investigated thoroughly.
- Safety Audits: Regular internal audits are carried out to ensure compliance and identify gaps.
- Employee Feedback: Surveys and data analysis are leveraged to improve safety strategies.
- Emergency Response: A designated incident response team manages emergencies and conducts root cause analysis of incidents.

### 16.2 Safety Drills and Training Activities

All employees also benefit from comprehensive health insurance coverage, encompassing accidents or injuries at the workplace.



Date	Type of Activity	Participants	Description
21-Mar-2024	Basic Fire	13	Hands-on training on the use of different fire extinguishers.
12-Apr-2024	Tohatsu Fire Pump Training	7	Practical training on operating the Tohatsu Fire Pump.
2-May-2024	First Aid Training	8	CPR, wound dressing, and burn treatment techniques.
3-May-2024	First Aid Training	7	CPR, wound dressing, and burn treatment techniques.
4-May-2024	First Aid Training	8	CPR, wound dressing, and burn treatment techniques.
5-May-2024	First Aid Training	8	CPR, wound dressing, and burn treatment techniques.
2-Jul-2024	Medical Exercise Drill	23	Simulated medical evacuation using a spine board from Safety Admin to Hospital.
26-Aug-2024	Search & Rescue Exercise	27	Simulation of rescue operations during a cargo collapse.
3-Sep-2024	Fire Drill	22	Response simulation for container fire and evacuation procedures.
10-Sep-2024	Fire Drill	27	Simulation of vessel fire response and evacuation procedures.
12-Oct-2024	Chemical Spill Drill	10	Response to IMDG hazardous material spill; containment and decontamination.
22-Oct-2024	Confined Space Training	15	Training on safe entry, gas detection, and rescue from confined spaces.
28-Nov-2024	Emergency Evacuation Drill	All Employees	Full facility evacuation drill for fire and gas leak scenarios.

## 17. Employee Relations

MPL encourages open communication, ensuring that employees feel heard and valued. In line with the open-door approach, managers at all levels are encouraged to use all possible opportunities to engage with their teams on a regular basis. A formal grievance process, as well as a whistleblower portal, is also in place and open to all employees. All grievances received are treated seriously and investigated by an impartial Committee.

## 18. Diversity and Inclusion

Diversity and inclusion have always been fundamental pillars of MPL's organisational culture. Since its inception in 2008, MPL has actively promoted diversity by welcoming individuals from various backgrounds, cultures, and perspectives to its workforce. The Company greatly values the unique contributions of each employee and strives to foster an inclusive environment where everyone feels respected, supported, and empowered to thrive.

Reiterating its commitment to diversity, a special developmental initiative was introduced to empower female executives to aim for leadership positions. Similarly, clear pathways for promotion and career advancement were established for female clerical and supervisory staff, ensuring equitable access to leadership roles based on merit and performance.

As part of the overall approach to diversity enhancement, significant emphasis was also placed on recruiting more of females to the workforce, which has resulted in a substantial increase in the number of female recruits in 2024.

## 19. Work-Life Balance

Recognising the importance of maintaining harmony between professional responsibilities and personal commitments, MPL places high priority on providing a healthy work-life balance for its employees. In this regard, the Company encourages employees to take regular breaks and vacations to recharge and rejuvenate and more recently even introduced flexible work arrangements, including remote work options, to allow employees to manage their time effectively.

Additionally, comprehensive wellness programs and initiatives such as access to counselling services, fitness activities, and health screenings, are conducted year-round to promote the physical and mental health of the workforce.

## 20. Way Forward

Looking ahead, MPL plans to implement a comprehensive strategy to enhance its human capital development efforts. A key focus will be on Succession Planning to build a pipeline of talented individuals ready to seamlessly transition into key roles, ensuring continuity and growth. This will involve refining talent acquisition and retention strategies to attract top-tier professionals and create an environment that encourages their long-term commitment. Recognizing the crucial role of engaged employees in driving productivity, MPL will also invest in initiatives to boost employee engagement and productivity. Equal importance will be placed on improving employee wellbeing and wellness, fostering a workforce that thrives both personally and professionally. Embracing the digital era, the Company intends to leverage technology to automate HR processes, enhance efficiency, and provide data-driven insights for informed decision-making, optimizing the investment in human capital development.

## 21. Natural Capital

Natural capital holds profound significance for MPL due to its integral role in sustaining port operations. Preserving Natural Capital ensures the sustainability of marine transport, safeguards against climate change-induced risks like sea-level rise and extreme weather events, and maintains the allure of the Maldives as a premier destination.

- S** Strategic location advantages
- W** Damage and destruction to biodiversity and natural ecosystems owing to port operations
- O** Support for long term environmental conservation
- T** Rising sea levels owing to climate change

## 22. Management Approach

MPL adopts a comprehensive approach to preserving Natural Capital based on its environmental guidelines for integrating sustainable practices for managing energy, water and waste in order to minimise the environmental impact of port operations. The Company also undertakes targeted environmental projects to safeguard the Maldives' precious natural assets for future generation.



**Strengths**  
Damage and destruction to biodiversity and natural ecosystems owing to port operations

**Weaknesses**  
Rising sea levels owing to climate change

## 23. Energy Management

MPL's energy management approach is underpinned by clear guidelines aimed at enhancing efficiency and sustainability across operations. Accordingly, each year the Company invests considerable resources in implementing energy efficient technologies to minimize energy usage. More recently, emphasis has also been placed on the adoption of renewable energy to reduce the consumption of fossil fuels which has seen more emphasis on the use of electric/hybrid vehicles for port operations.

Ongoing investment in energy efficient technology saw the Company taking steps to upgrade the cooling system with the installation of the latest Hakathari 5 star rated air conditioners, while port infrastructure systems were further upgraded with the introduction of battery powered equipment and electric forklifts. As part of the same effort, all halogen lights were replaced with more efficient LED lights.

Meanwhile specific energy reduction targets have been established and are subject to stringent monitoring, regular audits. Electrical

## 24. Water Management

MPL is committed to implementing water management best practices to ensure sustainable use of this precious resource. The Company's water needs are met through municipal sources, specifically through the public water lines of the Male' Water and Sewerage Company.

Although water is not a major requirement for the day-to-day port operations, MPL has embraced a proactive approach to reduce water consumption considering the vulnerability of water sources in the island nation. Accordingly, regular monitoring and maintenance of water infrastructure is deemed a key priority to ensure efficient distribution and minimise wastage. Raising awareness also forms a major component of MPL's approach to minimising water wastage with regular sessions conducted to educate staff on the efficient use of water resources. Meanwhile wastewater is collected and disposed off through a registered effluent disposal company.

Detail	FY 2024	FY 2023	FY 2022	FY 2021
Energy Consumption Kwh	3,913,148	3,613,432	3,121,402	3,147,052
Water consumption (lites)		13237.69	20762.13	23987.72

power generation and usage is monitored by the Company's powerhouse unit under the guidance of the Mechanical and Electrical Engineering Department with hourly logs maintained to measure consumption against targets. Similarly, fuel used for generators is also monitored. Moreover, the issuing of fuel for equipment has been streamlined through the Company's ERP system which facilitates detailed tracking.

## 25. Waste Management

Port operations generate a diverse array of waste, presenting unique challenges for effective management and mitigation of environmental impact. From shipping activities to cargo handling and vessel maintenance, ports produce significant quantities of solid waste, including packaging materials, scrap

metal, and discarded equipment. Liquid waste such as ballast water and bilge water, often containing pollutants and contaminants, further contribute to environmental concerns. Given the dynamic nature of port activities and the complexities of waste streams involved, MPL focused on a comprehensive waste management approach to minimise environmental pollution and promote sustainable practices to minimise the impact on surrounding coastal areas. To that end, MPL practices waste segregation before being handed over to authorised waste collection entities for proper disposal.

## 27. Way Forward

In the future, MPL plans to enhance energy efficiency through investments in a solar PV system at the port premises in the coming years. The Company is also planning the integration of sensors and telematic devices to effectively regulate energy consumption across its operations. Additionally approval has been obtained to commission a new auto-load management system to optimise power generation efficiency of generators.

Further, MPL is looking to equip vehicles, vessels, and generators with advanced monitoring systems, to track fuel consumption and relevant data in real-time. This proactive approach not only enables precise resource management but also facilitates early detection of inefficiencies, thereby optimising energy usage and reducing carbon footprint.

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## Section 4. Corporate Governance Report

## 1. Corporate Governance Report

Maldives Ports Limited is governed in accordance with the principles set forth in the Company's Act (07/23), Corporate Governance Code for State-Owned Enterprises and the Articles of Association of the Company.

The prime responsibility of the Board of Directors of MPL is to manage the company in a fair, transparent, and responsible manner and to ensure sustainable growth and create value for its shareholders and investors.

To protect and enhance the interests of our shareholder and other stakeholders, the Board regularly reviews the governance arrangements, and the company now adheres to the principles and guidelines set by the Corporate Governance Code for State-Owned Enterprises issued by Ministry of Finance. The Board's Corporate Governance, Nomination and Remuneration Committee is responsible for periodical review and progress of the CG Code to ensure the practices conform to regulatory standards.

## 2. Role and Responsibilities of Board of Directors

Responsibilities of the Board have been outlined in the company's articles of association in compliance with the Company's Law and the Code of Corporate Governance for SOE's.

The main responsibilities of the Board of Directors are as follows:

- A. Reviewing and approving strategic plans, management structure and responsibilities.
- B. Establishing, reviewing, and monitoring the business plans, annual budgets, policies and management structure and responsibilities of the Company
- C. Reviewing and approving reports and accounts and overseeing financial positions.
- D. Ensuring that the Company has clear goals aligned to fulfill stakeholder expectations, improve shareholder value and business growth.
- E. Preparing and adopting the corporate governance rules and establishing guidelines for the governance.
- F. Recognizing and assessing risks and establishing internal controls and other measures to manage such risks

## 3. Composition of Board of Directors

The composition of the Board of Directors of the company is determined in the Articles of Association of the company. During the first quarter of 2024, the below mentioned changes were brought to the Composition of the board of Directors. The Chairperson and Managing Director's roles and responsibilities are stated in the Company's Article of Association. The table below indicates the current composition of the Board.

Mr. Mohamed Shareef	Chairman, non-executive	06th February 2019	08th January 2024
Ms. Aminath Hameed	Chairperson	08th January 2024	-
Mr. Mohamed Wajeeh Ibrahim	CEO/ Managing Director, Executive	28th November 2023	-
Mr. Ahmed Niyaz	Director, non-executive	24th December 2023	-
Mr. Ahmed Faheem	Director, non-executive	24th December 2023	-
Mr. Shiyam Ibrahim	Director, non-executive	26th December 2023	-
Mr. Ahmed Ilyas	Director, non-executive	24th December 2023	-

### 3.1 Board meetings

The Board of Directors held a total of 25 Board meetings during the year 2024. The Annual General Meeting of 2023 was held on 07th August 2024.

The Company Secretary drafts the agenda for each meeting in consultation with the Chairperson and Chief Executive Officer.

### 3.2 Attendance of Board of Directors Meetings in the year 2024

Name	Position	No. of meetings attended/No. of meetings held
Mr. Mohamed Shareef	Chairman, non-executive	1/1
Ms. Aminath Hameed	Chairperson	24/24
Mr. Mohamed Wajeeh Ibrahim	CEO/ Managing Director, Executive	25/25
Mr. Ahmed Niyaz	Director, non-executive	18/25
Mr. Ahmed Faheem	Director, non-executive	19/25
Mr. Shiyam Ibrahim	Director, non-executive	21/25
Mr. Ahmed Ilyas	Director, non-executive	20/25

## 4. Board proceeds and major decisions in 2024

The Board determines the strategic and policy outlook of the company and oversees the effectiveness of the senior management to implement such policies and strategies.

The Board has adopted an Annual Work Plan for the Board, and the plan ensures that the Board covers all the necessary areas of its work during the year. The agendas for the meetings are set in advance with the consultation of the Chairperson and the Chief Executive Officer. The Directors are given notice for the Board meetings as per the Articles of Association and are authorized to suggest any additional items in the agenda with the consultation of Chairman.

Board papers of the meetings are shared prior to the meeting, providing an opportunity for Directors to prepare for the meetings. On specific matters that require the Board's urgent attention, special meetings are held in between regular board meetings. Management members who can provide additional information on the items are invited to attend the Board meeting.

Management shares Company performance reports with the Board. These reports include budgets reviews, forecasts, quarterly financial reports, and monthly performance reports.

Some of the major key decisions taken during the year include.

- A. Approved Quarter 4 Report of 2023
- B. Approval of Quarter 1 Report for 2024
- C. Approved Quarter 2 Report 2024
- D. Approved Quarter 3 Report 2024
- E. Approval of Audit Report and Audited Financial Statement of 2023
- F. Approval of appointment of external auditors for 2024
- G. Approval of Dividend for 2023
- H. Approved Board's Annual Work Plan
- I. Approved budget 2025
- J. Approved Business Plan 2025

## 5. Board Committees

The Board delegates its work to the respective Committees of the Board. All committees function in accordance with the approved Terms of References.

There are 4 standing Committees of the Board: The Audit and Risk Management Committee, Nomination and Remuneration committee and Corporate Governance Committee and Grievance Committee. The Board appoints members and the chairperson of each committee. The Board is briefed by the key discussions, conclusions, and recommendations after each Committee meeting.

Recommendations of the committees are submitted to the Board for approval before management is assigned the work for implementation.

## 6. Code of Conduct

In accordance with the Company's Act (Law no 07/23) and our Articles of Association, Directors are required to declare any conflict of interest they may have, and follow the procedures set out in the Code of professional Conduct for Board Members. Directors should abstain from participating in discussions and voting on occasions where potential conflicts of interest arise.

Directors must disclose any company, association, or other affiliation where he/she and his/her immediate family members hold a significant interest. This information is reviewed annually.

## 7. Board induction, training, and development

The Company conducts an induction program for newly appointed Directors to provide an understanding of the company's operations and to familiarize them with the Company's governance, policies, and functions.

Various training programs are conducted abroad and locally every year to ensure that our directors have the right skills and competencies.

## 8. Board Directors remuneration

The remuneration of Executive and Non-executive Directors is determined by the performance agreement between the Company and Ministry of Finance.

The remuneration of the non-executive members of the Board consists of the following allowances.

- A. Monthly remuneration
- B. A Chairperson allowance for the Chairperson of the Board
- C. A fee for attendance per meeting

## 9. Relationship with Shareholders

The Company seeks effective channels to communicate with shareholders and strives to maintain the relationship with shareholders through various means. The financial and strategic achievements of the Company are disclosed to the shareholders through its quarterly reports. Regular updates on projects undertaken and business segments of the Company are provided to the shareholders on a timely basis throughout the year through various media and the Company website. The Company also shares information about significant business developments with shareholders through announcements, press releases and through posts on the Company website.

## 10. Declaration by the Board of Directors

The Board of Directors of Maldives Ports Limited declare that this report has been prepared in compliance with the Companies Act of the Republic of Maldives (Act No:07/23), Corporate Governance Code for State-Owned Enterprises and the Articles of Association of the Company.

The Board of Directors declares that the information presented in this Annual Report is true and accurate and that there are no other facts, the omission of which would make any statement herein misleading or inaccurate.

## 11. Going Concern Declaration and Future Outlook

The Board continuously strives to implement the strategic plans in line with the vision of the Company, and the Board of Directors is confident that the Company has sufficient resources to continue its operation for the foreseeable future and to carry out the operations of the company as a going concern and pursue the strategic objectives of the Company.

The Board of Directors has also adhered to all the applicable laws and regulations in preparing the Annual Report and the Financial Statements of the Company.

On behalf of the Board of Directors

**Ms. Aminath Hameed**



Chairperson

**DCP (Retd) Mohamed Rishwan**



Chief Executive Officer

## 12. Audit and Risk Management Committee Report

### 12.1 Composition, Membership, and attendance

The Audit Committee consists of three non-executive directors. During the year 2024, the Audit Committee held 18 meetings. Senior Management members attended committee meetings as and when required by the Committee.

As of 31st December 2024, the following members served on the Audit Committee.

Name	Position	No. of meetings attended/No. of meetings held
Mr. Ahmed Niyaz	Chairperson of the Committee	18/18
Mr. Ahmed Faheem	Member	15/18
Mr. Ahmed Ilyas	Member	16/18
Mr. Shiyam Ibrahim	Member	17/18

### 12.2 Key Roles and Responsibilities of the Committee

The purpose of the Audit Committee is to assist the Board in fulfilling its responsibilities relating to:

- A. The integrity of the Company's financial statements and financial reporting process and its systems of internal accounting and financial controls.
- B. Reviewing and monitoring the effectiveness of the Company's internal controls to ensure that adequate measures are taken to safeguard the Company's assets.
- C. Review of the performance of the Internal Audit function and Independent Auditors
- D. The adequacy of the Internal Audit function, including reviewing the scope and results of audits carried out with respect to the operations of the Company.

## 13. Nomination and Remuneration Committee Report

### 13.1 Composition, Membership, and attendance

The Corporate Governance, Nomination and Remuneration Committee consists of 4 non-executive directors. During the year 2024, the Committee held a total of 3 meetings.

As of 31st December 2024, the following members served on the Nomination, Remuneration and Corporate Governance Committee.

Name	Position	No. of meetings attended/No. of meetings held
Mr. Ahmed Ilyas	Chairperson of the Committee	3/3
Mr. Ahmed Faheem	Member	3/3
Mr. Shiyam Ibrahim	Member	3/3
Mr. Ahmed Niyaz	Member	3/3

### 13.2 Roles and Responsibilities of the Committee

The major responsibility of the Committee is to:

- A. Review and make recommendations on Remuneration Policy with compliance with legal and regulatory requirements.
- B. Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company.
- C. Establish succession planning for senior executives and employees considering the challenges and opportunities facing the company, and the skills and expertise needed in the future.
- D. Assist the Board in implementing the most appropriate corporate governance policies while meeting applicable corporate governance requirements.
- E. Develop and monitor the Company's overall approach to corporate governance issues and implement, administer, and continue to develop a system of corporate governance within the company.
- F. Undertake an annual review of corporate governance issues and practices for the company and make recommendations for improvements where necessary.

## 14. Grievance Committee Report

### 14.1 Composition, Membership, and attendance

The Grievance Committee consists of 4 non-executive directors. During the year 2024, the Committee held a total of 2 meetings.

As of 31st December 2024, the following members served on the Committee.

Name	Position	No. of meetings attended/No. of meetings held
Mr. Shiyam Ibrahim	Chairperson of the Committee	2/2
Mr. Ahmed Faheem	Member	2/2
Mr. Ahmed Ilyas	Member	2/2
Mr. Ahmed Niyaz	Member	1/2

### 14.2 Key roles of the Committee

- A. To consider and provide recommendations to the Board about matters related to staff grievance procedure in accordance with the policies and procedures of the Company.
- B. Provides a mechanism to deal with the staff's grievance at various levels of authority in accordance with the terms of reference of the committee.

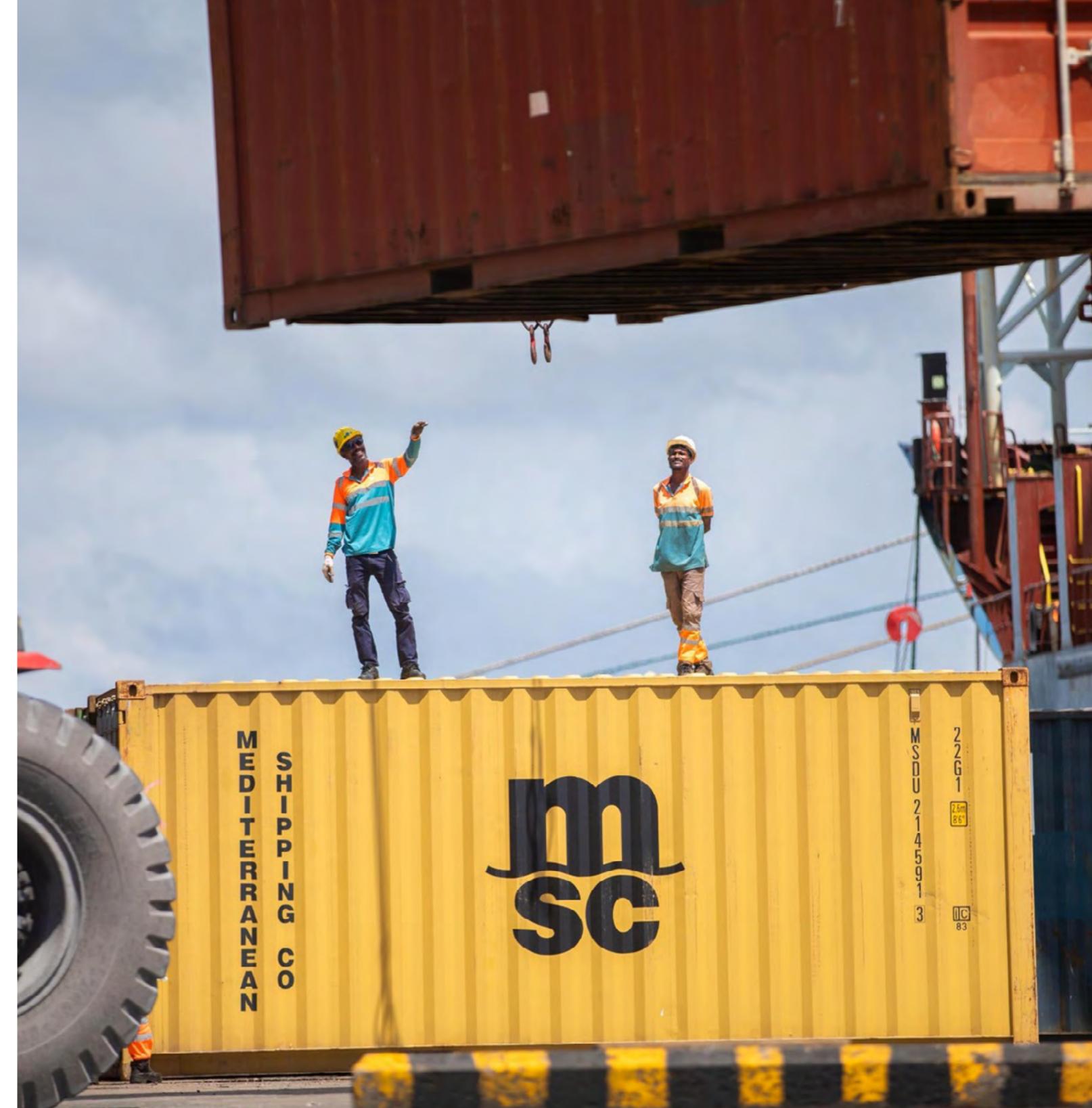
## 15. Corporate Governance and Compliance Report

### 15.1 Composition, Membership, and attendance

The Corporate Governance and Compliance Committee consists of 4 non-executive directors. During the year 2024, the Committee held a total of 1 meeting.

As of 31st December 2024, the following members served on the Committee.

Name	Position	No. of meetings attended/No. of meetings held
Mr. Ahmed Faheem	Chairperson of the Committee	1/1
Mr. Shiyam Ibrahim	Member	1/1
Mr. Ahmed Ilyas	Member	1/1
Mr. Ahmed Niyaz	Member	1/1



## Section 5. Directors' Report 2024

The Board of Directors of Maldives Ports Limited Group take pleasure in presenting Director's report along with the audited Consolidated Financial Statements of Maldives Ports Limited and its subsidiary (the Group) for the fiscal year ending 31st December 2024.

The year 2024 was a challenging year for the Group; it recorded an Operating Profit of MVR 20 million. The year marked continuous efforts to improve the

Company as the Maldivian economy worked towards recovering from the Global Pandemic. Continuous efforts were made in order to improve the effectiveness of Port operations in order to aid the economy in its steps to recovery.

The Group managed to achieve a profit after tax figure of MVR 27.8 million within a demanding environment.

## 1. Principal Activities and Business Review

Principal business activity of the Group includes providing port and harbour facilities, storage, supplies and repair and maintenance services to ships and other ocean-going vessels.

The Russian-Ukraine war along with the Red Sea crisis led to significant disruptions in the global supply chain, causing delays in shipments, increased transportation costs, and logistical challenges for businesses worldwide. However, the port and terminal sector plays a vital role in the supply of essential goods around the world that cannot stop for any reason. The Group plays a key role in this area as the gateway to the economy of Maldives.

MPL Group directs our corporate social responsibility actions in ways that support local communities, whilst addressing key issues of national importance. To this end, the Group undertook several activities across the Maldives, during the period under review.

Financial statements of the Group has been prepared in accordance with IFRS Accounting Standards (IAS). The Group constantly makes improvements to and updates its processes to ensure that its strategic goals are met.

### 1.1 Financial Performance

The Group Revenue has increased compared with previous fiscal year as the economy rebounded from global external shocks and stabilised during 2024. Revenue of all key areas of business activities during 2024 increased drastically.

Maldives' economy recovered as the GDP figure recorded a growth by 4.70% percent in 2024 as tourism and real estate activity return to normal during this year. Tourist Arrivals recorded 2.046 million in 2024 and predicted to grow drastically in 2025 and 2026 with the opening of new passenger terminal.

Real GDP is therefore projected to grow by 5.4 percent in 2025 and a moderate growth in 2026 (ADB). The rebound in growth reflects base effects and assumes a continuation of strong tourism inflows. As per ADB Maldives has recorded the 4th highest GDP growth rate in South Asia.

The Maldives Inflation Rate recorded 2.8% in 2024 and is projected to trend around 2.30 percent in 2025, according to our econometric models. (ADB). Also, it should be noted that Maldives has recorded the lowest Inflation rate in South Asia.

Nonetheless, the Group was able to explore the opportunities and uphold its performance by achieving a Comprehensive Income of MVR 21.42 million

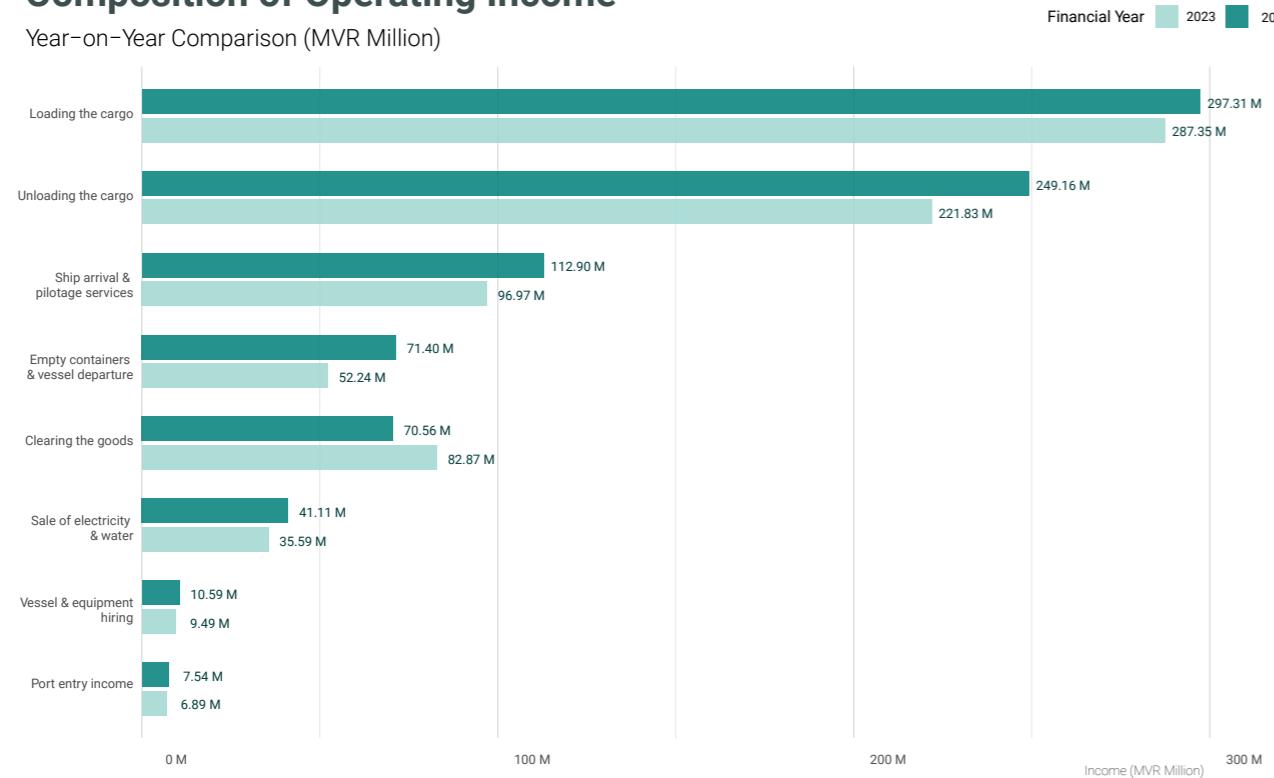
### 1.2 Revenue (All Figures in MVR)

Composition of Income	2024	2023	Variance
Loading the cargo (Stevedoring, Storage, Quay wall, etc.)	297,310,657	287,353,396	9,957,261
Unloading the cargo (Handling, Wharfage, Lashing and unlashing, etc.)	249,159,959	221,833,527	27,326,432
Ship arrival and pilotage services	112,899,217	96,974,530	15,924,687
Clearing the goods	70,555,810	82,866,597	(12,310,787)
Empty containers and vessel departure	71,401,647	52,237,389	19,164,258
Income from Sale of electricity and water	41,107,284	35,592,049	5,515,235
Vessel and other equipment hiring charges	10,587,265	9,492,042	1,095,223
Port entry income	7,535,806	6,886,212	649,594
<b>Total</b>	<b>860,557,644</b>	<b>793,235,742</b>	<b>67,321,902</b>

During the year under review the total income recorded for the fiscal year was a record MVR 860 Mn compared to MVR 793 million in 2023. This is a significant increase of MVR 67 million (8.49 % Increase) compared with last fiscal year. The increase in revenue in cargo handling is attributed due to increase in no of vessels and cargo handled during the fiscal year 2024 compared to 2023. This represents the remaining increase in Revenue for the year in review.

## Composition of Operating Income

Year-on-Year Comparison (MVR Million)



## 1.3 Expenditure (All Figures in MVR)

The total expenditure of the company under review has increased by MVR 1.029 billion (8 % increase) compared to last fiscal year. The composition of expenses is given below.

The increase in operational cost is due to increase in Utility Expenses and Maintenance Expenses compared to previous year. Staff Cost for the fiscal year has also increased by 29.7 million and this is mainly due to salary rationalization program introduced by the Group in 2024.

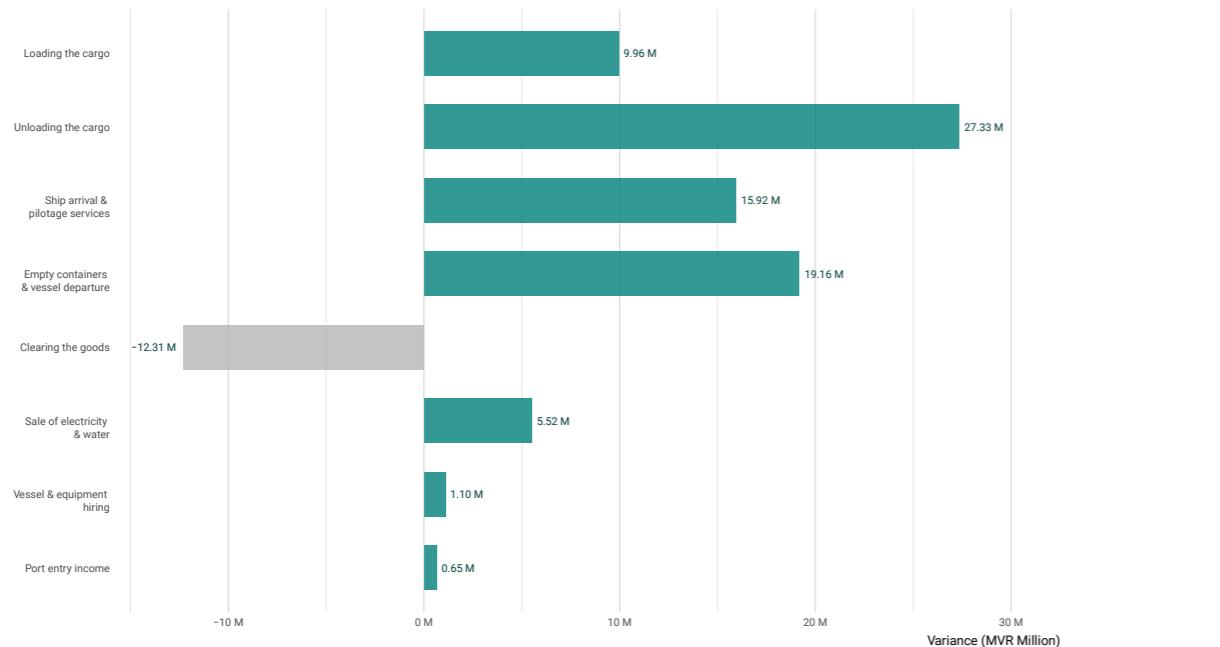
During the financial period under review the Depreciation amount for the fiscal year decreased by 3.7 million (4% decrease). This is mainly due to the fully depreciated assets during the previous year.

Finance costs also increased by MVR 4.5 million during the year. This is due to the new loan and Bond interest was taken during the year by the Group.

The profit after tax amount has decreased significantly to 27.8 million. Overall, the Group's trade and profit had decreased due to the increase in Staff Cost, Utility Cost and Repair & Maintenance and Provisions in 2024, thereby, in 2024 our earnings were recorded as MVR 6.94 per share. The Earnings Per Share dropped from 10.45 per share in 2023 to 6.94 per share in 2024.

## Income Variance Analysis

Change from 2023 to 2024 (MVR Million)



## 1.4 Statutory Payments

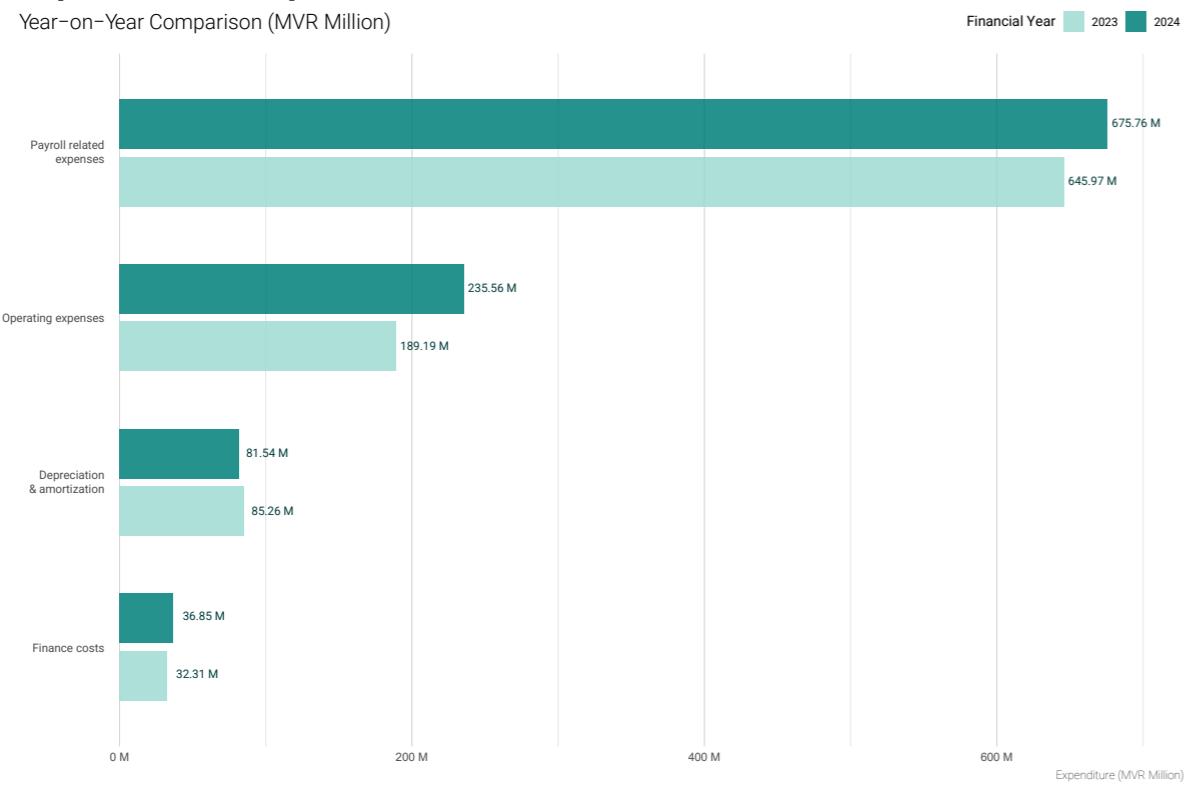
The Directors, to the best of their knowledge and belief are satisfied all statutory payments in relation to employees and the Government of Maldives have been made up to date.

Furthermore, the Company collected and made payments amounting to MVR 56 million for Goods and Services tax to MIRA during the fiscal year ended 2024.

The MPL has also contributed to Employee Pension Scheme an amount of MVR 22.8 million, paid to Maldives Pension Administrative Office (MPAO) for the year.

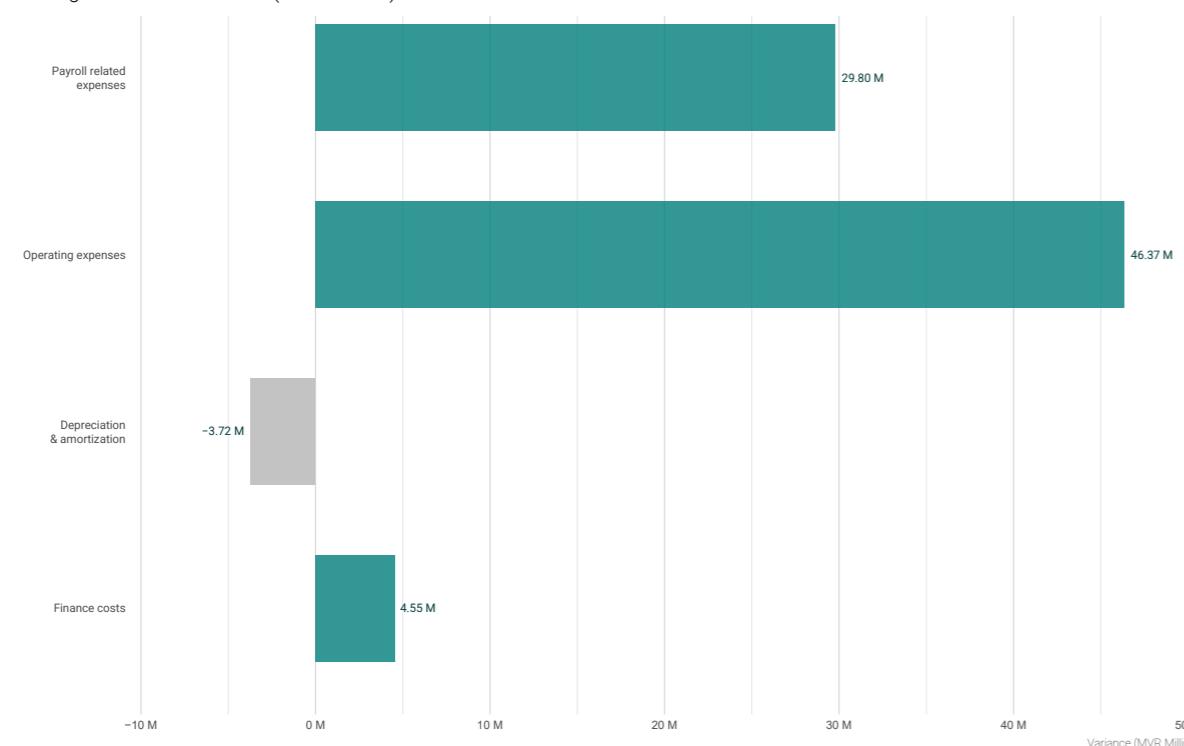
## Expenditure Composition

Year-on-Year Comparison (MVR Million)



## Expenditure Variance Analysis

Change from 2023 to 2024 (MVR Million)



Expenditure	2024	2023	Variance
Payroll related expenses	675,764,200	645,966,649	29,797,551
Operating expenses	235,563,059	189,190,603	46,372,456
Depreciation and amortization expenses	81,539,644	85,263,024	(3,723,380)
Finance Costs	36,854,681	32,305,702	4,548,979
<b>Total</b>	<b>1,029,721,584</b>	<b>952,725,978</b>	<b>76,995,605</b>

	2024	2023	Variance
Revenue	860,557,644	793,235,742	67,321,902
Operating Profit	20,008,375	80,713,790	(60,705,415)
Profit after Tax	27,839,736	49,474,301	(21,634,565)
<b>Total comprehensive income for the year</b>	<b>21,418,120</b>	<b>51,925,681</b>	<b>(30,507,561)</b>

## 1.5 Balance Sheet

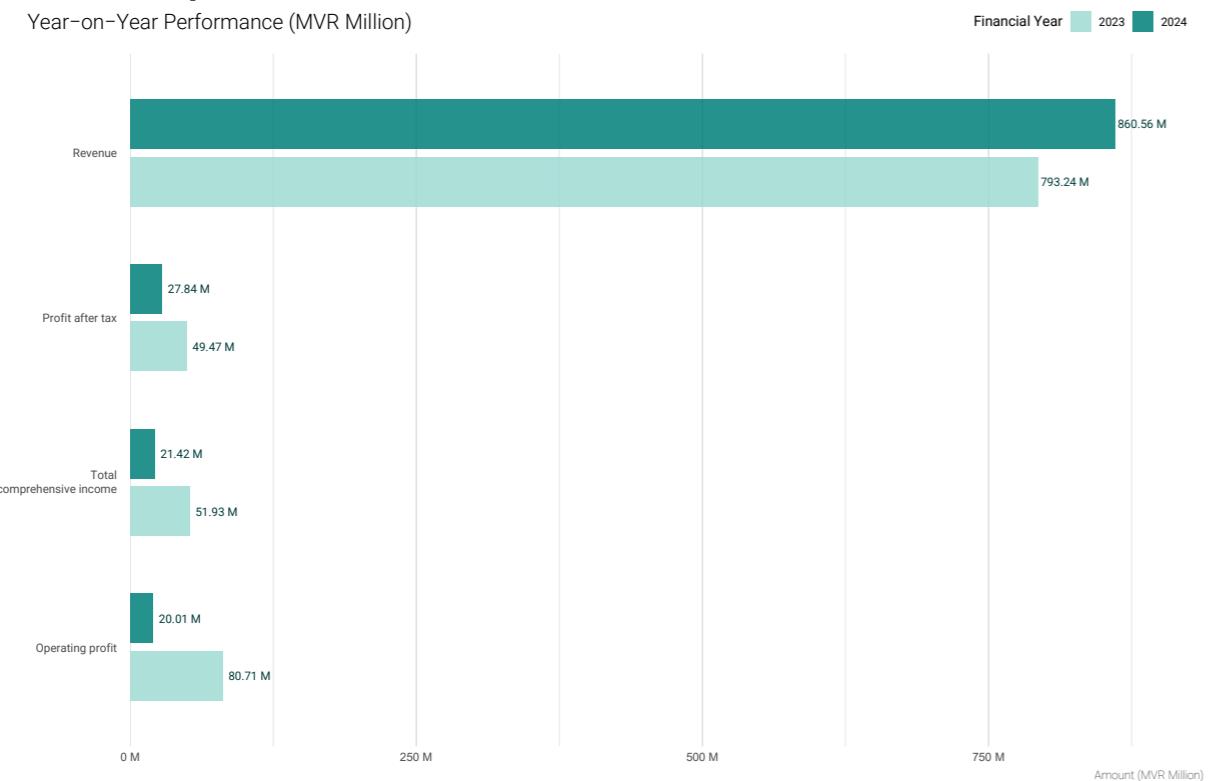
The overall financial position of the Group remained sound. The Group's objective is to maintain a healthy capital ratio to support the business and maximize the shareholder value.

The share capital of the Company as of 31st December 2024 is MVR 475 million and the reserves as of 31st December 2024 are reported as MVR 529.5 million.

The Group maintained a satisfactory liquidity position with a Current ratio of 0.57 in 2024, whereas the current ratio was reported at 0.93 in 2023; the debt-to-equity ratio decreased to 0.17 in 2024 from 0.19 in 2023. The main reason for the decrease in debt-to-equity ratio is due to new payment obligations, including loans in 2024.

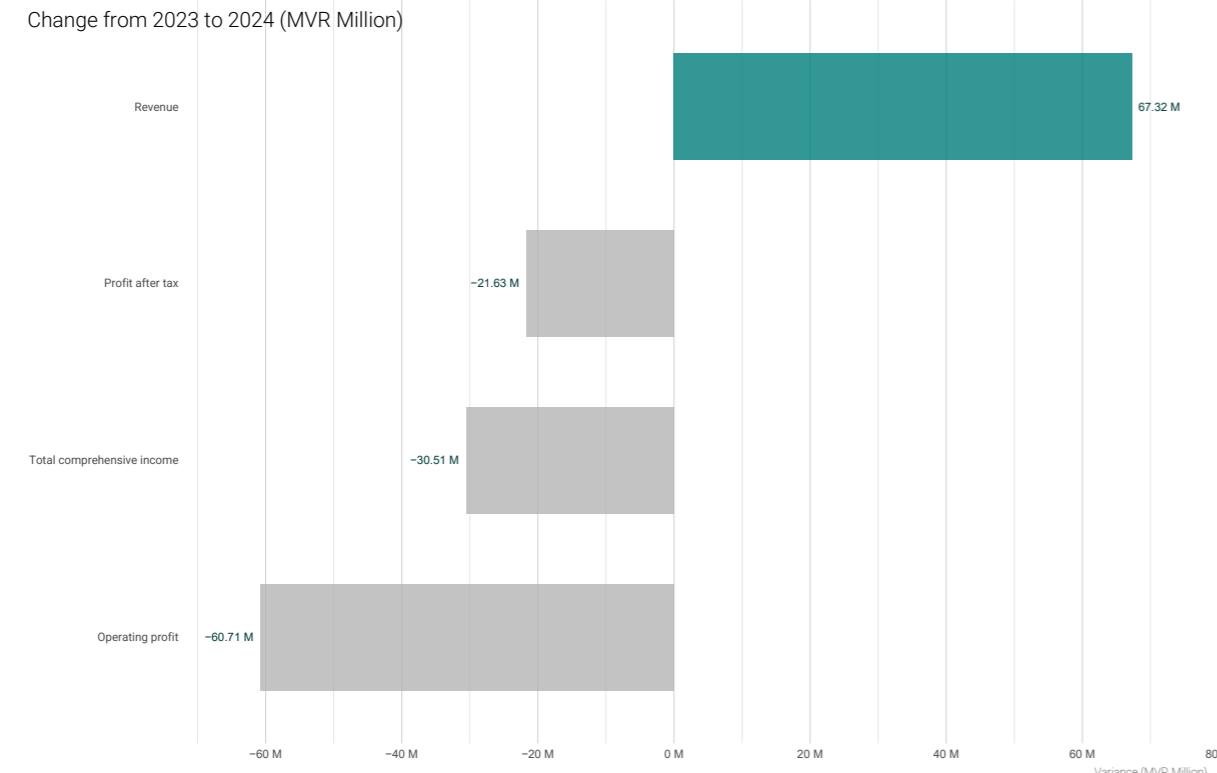
## Total Comprehensive Income

Year-on-Year Performance (MVR Million)



## Comprehensive Income Variance Analysis

Change from 2023 to 2024 (MVR Million)



The net book value of Property, Plant and Equipment of the Group as of 31st December 2024 was MVR 1.19 billion. Total additions of property plant and equipment for the year was MVR 632.03 million. The breakup of the property plant and equipment are given in Note 14 of the financial statements.

The return on investment decreased to 3% in 2024 from 5% in 2023. This negative impact was attributed due to the increase in Staff Cost, increase in Repair & Maintenance and the Provision made during the year.

## 1.6 Operational Performance

Total cargo and container throughput has Increased in 2024. Inbound containers have also marginally Increased by 6,936 TEUs (11% Increase compared to 2023) during the fiscal year. Similarly inbound cargo has also Increased by 158,983 Tones (7% Increase compared to last fiscal year)

Total number of containers handled in 2023 was 122,904 TEUs, whereas in the current year the number of containers handled was 134,789 TEUs. Ten percent Increase has been recorded handling number of containers during the year. There is also Increase in the volume of cargo handled during the fiscal year. The total volume of cargo handled for the fiscal year was recorded as 2,552,301(7% growth) compared to cargo handled in 2023 was 2,383,957. The number of vessels arrived has also Increased from 466 in 2023 to 480 in 2024.

## 1.7 Corporate Governance/ Internal Control and Management's Responsibility

Adopting good governance practices has become an essential requirement in today's corporate world.

MPL is governed by Board of Directors. Board members are appointed by the Government of Maldives. The Board has overall responsibility for the corporate governance of MPL. The corporate objective of the Board of Directors is to provide leadership and guidance to the management team of MPL.

The Directors acknowledge their responsibility to MPL system of internal control. The system is designed to provide assurance, inter alia and safeguarding the assets. The maintenance of proper accounting records and reliability of financial information generated. However, any system can ensure only reasonable and not absolute assurance.

The Audit committee focuses primarily on assisting the Board in full filling its duties by providing an independent and objective review of financial reporting process, the process of risk identification and mitigation, internal controls, adequacy, and effectiveness of internal Audit function. The Board is satisfied with the effectiveness of the system of internal control for the period up to the date of signing the financial statements.

## 1.8 Environmental Protection

The ports' business activities can have direct and

Operational Performance	UOM	2024	2023	Variance
Inbound Containers	TEUs	70,400	63,464	6,936
Outbound Containers	TEUs	64,389	59,440	4,949
Inbound Freight	FT	2,468,826	2,309,843	158,983
Outbound Freight	FT	83,475	74,114	9,361
Ship Turnaround	Days	4.72	3.88	0.84
No of Vessels arrived	Nos	480	466	14

indirect effects on the environment. It is the Company policy to keep adverse effects on the environment to a minimum and to promote co-operation and compliance with the relevant authorities and regulations.

MPL monitors and assesses the quality and impact of its operations and maintains transparent communication regarding its key environmental and social and governance practices within its operations.

## 1.9 Human Resources/ Employment Policies

Human resource division plays a vital role in achieving organizational objectives by attracting and hiring skilled and qualified personnel into identified positions to achieve the organization's set objectives.

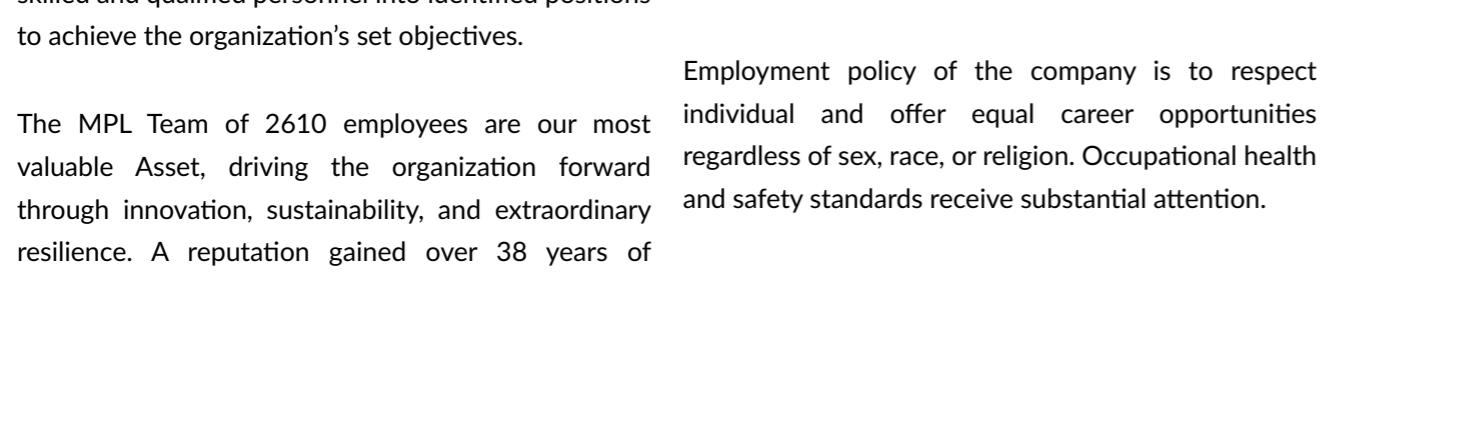
The MPL Team of 2610 employees are our most valuable Asset, driving the organization forward through innovation, sustainability, and extraordinary resilience. A reputation gained over 38 years of

supporting employee development enables the group to attract and retain the country's top talent.

Once the right employees have been hired to the right designations, it is important to retain them by maintaining human resource functions at optimum levels. At the beginning of 2024, the total workforce of the MPL was 2301 including executives, non-executives, technical and non-technical categories. The total workforce as at the year-end was 2610.

The company continued to invest in human capital development and implement effective workforce aligned around new business priorities and ensure the employees are developing the skills and knowledge required for the future success of the company.

Employment policy of the company is to respect individual and offer equal career opportunities regardless of sex, race, or religion. Occupational health and safety standards receive substantial attention.



## 1.10 Subsidiaries

Kulhudhuffushi Port Limited (KPL) is a 51% subsidiary of Maldives Ports Limited and was acquired in 2011. Government of Maldives is the holder of remaining 49% of shares. Forty-six percent of the consideration settled in 2011 of asset transfer and the balance appearing as a current liability on the balance sheet as of 31 December 2024. In 2024 the Government planned to issue its 49% shares to MPL and HPL, respectively. The Government has also planned to issue 99% of HPL shares to MPL.

At the time of approval of Maldives Ports Limited's audited financial statements for the year 2024, KPL's audited financial statements for the same financial year had been finalized, consolidated into the Group financial statements, and approved by the Board.

## 1.11 Port Infrastructure and Projects

MPL gives a great priority in investing in port infrastructure to cater for the ever-increasing demand and to deliver competent service using the forefront technological advancements. As such, the development of Hulhumale' port and Male' North Harbor (Meeru Bahuru Bandharu) had gradually increased its income and operation year by year. In addition, the Government handed over T-Jetty operation to MPL in 2015, which had reflected a significant contribution to increase in income during the year 2024.

The acquisition of 20 Hectares of Thilafushi land during the year to build a bulk Port being a major Investment decision taken by the company to accommodate the increase in demand on importing cargo. The project is expected to be completed in 2027, enhancing the port

activity to accommodate additional demand.

## 1.12 Future Digitalization

MPL believes that the introduction of the digitalized process will help serve our customers better and increase value to all stakeholders, while improving process efficiency and optimizing costs.

Information technology is a major strength and catalyst for growth for an organization working in the maritime business. Therefore, having the appropriate IT systems in place for spurring port business. The IT function has concentrated all its strength and competitive edge in deploying innovative e-initiatives and strategic IT Systems to improve productivity and provide uninterrupted services to its clientele.

During the past that acquiring all the necessary documents, permits, and clearing all the other formalities, take up 370 minutes (six hours), which according to the port authority this has been reduced to 15 minutes under the digital integration.

MPL has developed and released several applications through which customers are able to acquire its services, which include "Bandharu" and "E-Gate Pass" platforms that have transformed previously manual tasks into digitally acquired services during the last two years and also adopting paperless transactions.

MPL hopes to turn 99 percent of its operations into paper-less transactions by 2026.

Maldives Ports Limited IT team strives to drive innovation and transformation through integrating information and communication technology (ICT).

The introduction of a fully integrated Enterprise Resource Planning (ERP) Oracle Cloud software to increase efficiency throughout the Company. MPL IT team started to digitalize most of the manual processes carried out by the operation staff and monitor fleet management through the new ERP software. At present data captured for Analytics so the top management can take corrective action.

### 1.13 External Auditors

The MPL Group is audited by the Auditor General's Office and in accordance with the regulations issued by the Auditor General, Ernst and Young was appointed as the Contract auditor of the audits of the years 2024 and 2025 under a tripartite contract. The audit fees, inclusive of the audit of the consolidated financial statements, amounted MVR 459,000 for the financial

year 2024, and MVR 480,000 for the financial year 2025.

KPMG served as the Auditors for the fiscal years from 2021 to 2023.

### 1.14 Internal Auditors

MPL has its own internal audit function, which has carried out few assignments during the year, despite several difficulties the function faced in terms of staffing and space. The Board and Management have widened its function and the works in 2024 with increasing the staff strength of the department.



## Section 6. Activity Report 2024

## Organizational Highlights



### Port Visit to Sri Lanka

5 January - As part of its commitment to enhancing international cooperation and operational excellence, MPL conducted an official visit to Sri Lanka in 2024. The delegation, led by CEO Mr. Mohamed Wajeeh Ibrahim, visited key maritime infrastructure including Colombo Port and the newly developed Colombo Port City. The visit provided valuable insights into modern port operations and development strategies, while also reinforcing MPL's efforts to build strong regional partnerships. This engagement marked a significant step in fostering collaboration within the maritime sector and supporting the growth of regional trade and logistics.



### Appointment of Chairperson

10 January - Ms. Aminath Hameed was appointed as the company's first female Chairperson in 2024. Her appointment represents a significant step forward in MPL's commitment to fostering diversity and inclusion at the highest levels of leadership. Her leadership has brought new perspectives and innovative strategies to the organization's ongoing development in port management and operations.

### Appointment of Deputy CEO

13 February - MPL welcomed Mr. Mohamed Mueen as the newly appointed Deputy Chief Executive Officer. With a strong background in port operations and logistics, Mr. Mueen brings a wealth of experience and strategic insight to the organization. His appointment reflects MPL's continued focus on strengthening its leadership team to support the company's long-term growth and operational excellence. Mr. Mueen played a key role in advancing MPL's strategic initiatives and enhancing service delivery across all areas of operation.



### Maldives Maritime Conference 2024

6 March - The Maldives Maritime Conference 2024 was officially inaugurated, representing a key milestone in the nation's maritime sector development. The event convened a diverse group of local and international stakeholders to engage in meaningful dialogue on critical issues affecting the maritime industry. Key topics included environmental sustainability, emerging technologies, and the future of maritime logistics.

### Inauguration of laborer's Shelter

10 March - MPL officially opened a newly constructed Labourers' Shelter within the port premises. This modern and spacious facility was developed to provide a comfortable space for port labourers to rest and recharge during their shifts. The initiative reflected MPL's ongoing commitment to improving workplace conditions and prioritizing employee well-being. The shelter contributed to enhancing worker morale and productivity, underscoring the company's dedication to fostering a supportive and efficient working environment.



### Launching of Sea to Air Cargo Transshipment Service



29 March - A significant tripartite Memorandum of Understanding (MoU) was signed between Maldives Airports Company Limited (MACL), Turkish Airlines, and Maldives State Shipping (MSS). This strategic agreement aimed to establish sea-to-air cargo transshipment services, marking a major advancement in the Maldives' logistics infrastructure. The collaboration was designed to enhance the efficiency, capacity, and connectivity of cargo operations, contributing to the broader economic development of the region and positioning the Maldives as a key logistics hub in the Indian Ocean.



## 5 Million Tree Planting Initiative

5 June - In observance of World Environment Day, Maldives Ports Limited (MPL) actively participated in the national initiative to plant five million trees. Employees from Kulhudhuffushi Port Limited, Hithadhoo Port Limited, and Hulhumalé Terminal took part in this nationwide effort, demonstrating MPL's strong commitment to environmental sustainability. This initiative reflected the company's dedication to supporting national environmental goals and promoting greener, more resilient communities.



## MPL Holds Annual General Meeting 2023

7 August - The 2023 Annual General Meeting was held at the MPL head office, providing a comprehensive review of business performance, key highlights, and achievements from the past year. The meeting was attended by Deputy Minister Mohamed Anas, representing the Ministry of Finance.

## MPL Management Discusses Sea-to-Air Transshipment Opportunities with Bangladesh High Commissioner

8 August - MPL CEO Mr. Mohamed Wajeeh along with senior management met with H.E. Rear Admiral S.M. Abul Kalam Azad, the High Commissioner of Bangladesh, to discuss the newly introduced sea-to-air transshipment cargo service. The meeting also served as a platform to identify potential areas for future collaboration, reinforcing MPL's commitment to strengthening regional partnerships and enhancing logistics capabilities.



## MPL Celebrates 38 Years of Service

15 September - MPL commemorated its 38th anniversary with a flag hoisting ceremony held in honour of this significant milestone. The event served as a moment of reflection and appreciation, recognizing the dedication and contributions of MPL's employees, partners, and stakeholders.



## ISPS Gate Officially Inaugurated in Uligan

18 September - MPL marked a key milestone in the development of Uthuru Maritime Services with the official inauguration of the ISPS Gate in Uligan. The ceremony was attended by MPL CEO Mr. Mohamed Wajeeh and other distinguished guests. The gate was officially inaugurated by retired Magistrate Mr. Idhrees Adam, symbolizing a significant step forward in enhancing maritime security infrastructure in the northern region.

## Inauguration of Ihavandhippolhu: First UMS Vessel Arrives

3 October - Marking a significant milestone for the maritime industry, the first vessel under the Uthuru Maritime Service (UMS) docked at Ihavandhippolhu. The oil tanker "JIAN JIE" utilized newly introduced services and participated in the inauguration of the Seaman's Rest Area at Ha.Uligamu, providing amenities and leisure facilities for crew members.

## Partnerships



### Title sponsorship of FAM 2nd division 2023

4 January - MPL formalized its support for local sports by signing a title sponsorship agreement for the Football Association of Maldives (FAM) Second Division 2023. The agreement was signed by MPL CEO Mr. Mohamed Wajeeh and FAM's Acting General Secretary Mr. Jaushan Shareef. This partnership underscored MPL's commitment to promoting community engagement and nurturing local athletic talent.



### Memorandum of understanding with Johor Port Berhad, Malaysia

MPL signed a Memorandum of Understanding (MoU) with Johor Port Berhad, Malaysia, aimed at advancing the professional development of MPL employees. The agreement was formalized during a ceremony held at Johor Port, with Deputy CEO Mr. Ali Hashim representing MPL and CEO Mr. Mohamed Derrick Bashir representing Johor Port. Under the MoU, Johor Port committed to providing short-term training programs and temporary work placements for MPL staff. This initiative was designed to offer international exposure and practical experience, supporting MPL's ongoing efforts to enhance workforce capabilities, operational efficiency, and employee satisfaction through continuous learning and development.



### MPL Signs MoU with Regional Airports Company for Emergency Assistance

9 June - MPL signed an MoU with the Regional Airports Company to provide coordinated support during emergencies at regional airports. This collaboration aimed to enhance safety measures and improve emergency response capabilities across the region.



### MPL Partners with Ace Travels Maldives for Sea-to-Air Transshipment Cargo Services

25 August - MPL entered into a service agreement with Ace Travels Maldives, the general service agent for Qatar Airways, to initiate Sea-to-Air transshipment cargo services. The agreement was signed by MPL CEO Mr. Mohamed Wajeeh Ibrahim and Ace Travels Managing Director Mr. Mohamed Firaq. This partnership strengthened MPL's logistics network and expanded its capacity to deliver integrated Sea-to-Air cargo solutions, reinforcing the company's role in enhancing regional connectivity and multimodal transport efficiency.



### MPL and Ihavandhoo Council Sign MoU for Dockyard and Slipway Development

20 September - MPL signed an MOU with the Ihavandhoo Council to develop a dockyard and slipway in Ihavandhoo, located in North Thiladhummah. This collaboration aimed to strengthen maritime infrastructure in the region and support local maritime activities.

### Agreement Signed for Dockyard and Slipway Development in Ihavandhoo

20 December - MPL and the Ihavandhoo Council signed an agreement to develop a dockyard and slipway at Ihavandhoo in North Thiladhummah.

## Service Highlights



### Fleet Expansion

14 February - In preparation for the anticipated increase in import volumes during the Ramadan period, MPL expanded its equipment fleet with the addition of five new forklifts. This strategic enhancement was aimed at improving operational efficiency, particularly in the handling of perishable goods. The new forklifts supported the seamless processing and timely delivery of cargo during one of the busiest seasons of the year.



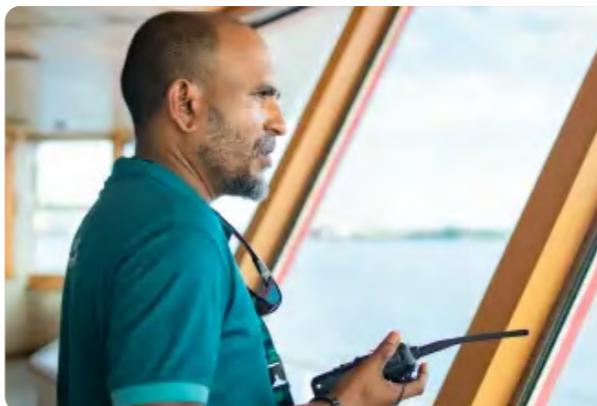
### Sea to Air Cargo Transshipment Service Launch

18 May - MPL successfully completed its first sea-to-air transshipment cargo delivery in collaboration with Turkish Airlines. This achievement marked a significant milestone in MPL's logistics operations, demonstrating the company's growing capacity to offer integrated, multimodal cargo solutions.



### Establishing Permanent Perishable Supply Lines from Tuticorin to Hithadhoo Port in Addu City

10 July - CEO Mr. Mohamed Wajeeh, accompanied by members of the senior management team, conducted an official visit to Addu City to strengthen partnerships and accelerate the development of Hithadhoo Port. The visit focused on establishing a permanent supply chain for transporting perishable goods from Tuticorin, India, to Addu City. A stakeholder meeting was convened with local business leaders and government officials to address logistical concerns and explore the potential use of Indian vessels for transporting perishable cargo.



### Maldives Ports Limited Launches Uthuru Maritime Services

3 September - MPL officially launched Uthuru Maritime Services (UMS), a strategic initiative aimed at enhancing maritime services in the northern region of the Maldives. Leveraging MPL's industry expertise and collaborative partnerships, UMS was established to improve regional connectivity and support the growth of maritime activities in the area.



### MSC Cargo's First Vessel Arrives in Maldives

9 October - MPL celebrated a significant milestone with the arrival of MSC MANASA F, the first vessel from MSC Cargo—the world's largest shipping line—at Malé Commercial Harbor. A special ceremony was held to commemorate the occasion, during which mementos were presented to the ship's captain by representatives from MPL and MSC's local agent, Centurion PLC.



### Bunkering Services Commence in the North

19 September - MPL officially commenced bunkering services in the northern region, marking a strategic move to position the area as a competitive player in international maritime markets. This development was complemented by the introduction of additional maritime support services, including pilotage, aimed at enhancing operational capabilities and service offerings.



### Water Barge Unloaded at Thilafushi Dockyard

13 November - MPL successfully unloaded a newly constructed water barge with a 200-ton capacity at the Thilafushi dockyard. Purpose-built for water bunkering services, this addition marked a significant advancement in MPL's efforts to expand its maritime operations, particularly in the northern region of the Maldives.

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## **Section 7. Audited Financial Statement 2024**

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Report No: FIN-2025-187(E)



30<sup>th</sup> December 2025

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## Auditor General's Report

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## AUDITOR GENERAL'S REPORT

### TO THE SHAREHOLDER AND BOARD OF DIRECTORS OF MALDIVES PORTS LIMITED

#### Opinion

We have audited the consolidated financial statements of Maldives Ports Limited and its subsidiary (the "Group") which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated 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), 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 opinion.

#### Emphasis of Matter

We draw attention to Note 36 to the financial statements, which describes retrospective restatements of comparative information. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming the

auditors' opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key Audit Matters	How our audit addressed the key audit matter
<b>Carrying value of Property, Plant and Equipment</b> <p>As at 31 December 2024, the carrying value of the Group's property, plant and equipment amounted to MVR 1,196,038,869/-, after deducting charges against the cost amounting to MVR 92,250,092/-.</p> <p>This was a key audit matter due to:</p> <ul style="list-style-type: none"> <li>Materiality of the reported balance, which represented 53% of the Group's total assets, as of the reporting date.</li> <li>Management's assessment of the eligibility and reasonableness of capitalization of expenditure incurred during the period.</li> <li>Management's assessment of the existence of indicators of diminution in value and assessment of carrying value, as necessary.</li> </ul> <p>Disclosures on property, plant and equipment are included in Notes 4.6, 4.7 and 14 to the financial statement.</p>	<b>Our audit procedures included the following key procedures:</b> <ul style="list-style-type: none"> <li>Evaluated the eligibility and reasonableness of expenditure capitalized.</li> <li>We assessed whether management had identified potential indicators of diminution in value. Where a formal assessment was deemed necessary, we evaluated the reasonableness of the carrying values determined by management. As part of our assessment, we observed the physical condition of the relevant assets.</li> <li>Assessed the adequacy of related disclosures made in Notes 4.6, 4.7 and 14 to the financial statements.</li> </ul>

#### Other Matter

The financial statements of Maldives Ports Limited for the year ended 31 December 2023, were audited by another auditor who expressed an unmodified opinion on those statements on 27 May 2024.

#### Other information included in the 2024 Annual Report

Other information consists of the information included in the 2024 Annual Report other than the consolidated financial statements and our auditors' report thereon. Management is responsible for the other information.

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



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

#### **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 based on these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 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 management.
- Conclude on the appropriateness of management'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 auditor's report to the related disclosures in the consolidated 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 auditor's 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 financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform group auditor obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

30<sup>th</sup> December 2025



Hussain Niyazy  
Auditor General

**MALDIVES PORTS LIMITED**  
**(INCORPORATED IN THE REPUBLIC OF MALDIVES)**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER

	Note	2024 MVR	2023 MVR Restated
Revenue	6	860,557,644	793,235,742
Other income	7	152,317,634	206,969,462
Other operating expenses	8	(235,563,059)	(189,190,603)
Staff cost	9	(675,764,200)	(645,966,649)
Depreciation and amortization	10	(81,539,644)	(85,263,024)
Reversal for impairment of trade receivables	20.1	-	928,862
<b>Results from operating activities</b>		<b>20,008,375</b>	<b>80,713,790</b>
Finance income		55,684,458	15,836,466
Finance costs		(36,854,681)	(32,305,702)
<b>Net finance income/(costs)</b>	<b>11</b>	<b>18,829,777</b>	<b>(16,469,236)</b>
<b>Profit before tax</b>		<b>38,838,153</b>	<b>64,244,554</b>
Tax expense	12	(10,998,417)	(14,770,253)
<b>Profit for the year</b>		<b>27,839,736</b>	<b>49,474,301</b>
<b>Other comprehensive income for the year</b>			
<i>Items that will not be reclassified to profit and loss</i>			
Remeasurement of defined benefit liability	27.4	(7,406,835)	2,626,952
Tax impact	12.2	985,219	(175,572)
<b>Total other comprehensive income - net of tax</b>		<b>(6,421,616)</b>	<b>2,451,380</b>
<b>Total comprehensive income for the year</b>		<b>21,418,120</b>	<b>51,925,681</b>
<b>Profit attributable to:</b>			
Owners of the Company		32,967,789	52,726,455
Non-controlling interest	24	(5,128,053)	(3,252,154)
		<b>27,839,736</b>	<b>49,474,301</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		26,957,140	54,464,162
Non-controlling interest	24	(5,539,021)	(2,538,481)
		<b>21,418,120</b>	<b>51,925,681</b>
Earnings per share attributable to ordinary equity holders of the parent	13	6.94	10.45

Figures in brackets indicate deductions.

These consolidated financial statements are to be read in conjunction with the related notes which form an integral part of these consolidated financial statements of the Group set out on pages 10 to 59. The Report of the Independent Auditors' is given on pages 1 to 4.



**MALDIVES PORTS LIMITED**  
**(INCORPORATED IN THE REPUBLIC OF MALDIVES)**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

AS AT 31<sup>ST</sup> DECEMBER

	Note	2024 MVR	2023 MVR Restated
<b>ASSETS</b>			
<i>Non-current assets</i>			
Property, plant and equipment	14	1,196,038,869	711,111,427
Investment property	15	20,907,177	22,201,035
Intangible assets	16	7,443,496	8,291,855
Right of use assets	17	161,813,834	156,820,504
Deferred tax assets	12.2	18,407,512	13,183,820
Trade and other receivables	20	387,176,457	494,417,696
Other financial assets	21	57,893,432	62,970,850
<b>Total non-current assets</b>		<b>1,849,680,777</b>	<b>1,468,997,187</b>
<i>Current assets</i>			
Inventories	18	71,019,295	73,108,521
Investment in Hiyaa Project	19	4,635,823	70,834,691
Trade and other receivables	20	277,378,823	217,206,236
Other financial assets	21	24,747,206	91,637,103
Cash and cash equivalents	22	23,875,526	20,000,793
<b>Total current assets</b>		<b>401,656,673</b>	<b>472,787,344</b>
<b>TOTAL ASSETS</b>		<b>2,251,337,450</b>	<b>1,941,784,531</b>
<b>EQUITY AND LIABILITIES</b>			
<i>Equity</i>			
Share capital	23	475,000,000	475,000,000
Other component of equity	23.1	38,971,783	38,971,783
Retained earnings		529,500,152	538,309,835
<b>Total equity attributable to equity holders of the parent</b>		<b>1,043,471,935</b>	<b>1,052,281,618</b>
Non-controlling interest	24	46,685,756	52,224,777
<b>Total equity</b>		<b>1,090,157,691</b>	<b>1,104,506,395</b>
<i>Non-current liabilities</i>			
Interest bearing loans and borrowings	26	143,627,561	144,353,225
Lease liabilities	26.3	183,649,839	172,700,659
Defined benefit obligation	27.1	10,768,983	9,786,049
Trade and other payables	28	118,192,159	-
<b>Total non-current liabilities</b>		<b>456,238,542</b>	<b>326,839,933</b>
<i>Current liabilities</i>			
Defined benefit obligation	27.1	4,908,244	4,656,627
Interest bearing loans and borrowings	26	36,828,605	60,703,938
Lease liabilities	26.3	4,336,650	6,052,347
Trade and other payables	28	477,673,586	197,389,994
Dividend payable	29	96,640,456	196,823,292
Contract liabilities	6.1	5,644,290	3,767,900
Income tax payable	12.6	9,144,574	8,335,991
Bank overdraft	22	69,764,812	32,708,114
<b>Total current liabilities</b>		<b>704,941,217</b>	<b>510,438,203</b>
<b>Total liabilities</b>		<b>1,161,179,759</b>	<b>837,278,136</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,251,337,450</b>	<b>1,941,784,531</b>

These consolidated financial statements are to be read in conjunction with the related notes which form an integral part of these consolidated financial statements of the Group set out on pages 10 to 59. The Report of the Independent Auditors' is given on pages 1 to 4.

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

**Name of the Director**

Ms. Aminath Hameed / Chairperson

Signature

DCP (Retd) Mohamed Rishwan / CEO

Ir. Abdul Haleem Abdul Ghafoor / Acting CFO

21 December 2025





**MALDIVES PORTS LIMITED**  
**(INCORPORATED IN THE REPUBLIC OF MALDIVES)**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER

	2024	2023	
	Note	MVR	MVR Restated
<b>Cash flows from investing activities</b>			
Acquisition and capitalization of property, plant and equipment	14	(37,229,067)	(80,182,734)
Cost incurred on capital work-in-progress	14	(237,543,844)	(20,713,735)
Acquisition of investment property	15	-	(183,660)
Acquisition of intangible assets	16.1	-	(1,691,569)
Acquisition of investment in hiyaa project	19	-	(132,426,481)
Investment in treasury bill investments	21.1	74,985,657	(1,220,304)
Proceeds from sale of hiyaa project apartments		-	86,897,462
Proceeds from disposal of property, plant and equipment	14	-	6,987,986
<b>Net cash flows used in investing activities</b>		<b>(199,787,254)</b>	<b>(142,533,035)</b>
<b>Cash flows from financing activities</b>			
Proceeds from loans and borrowings	25.1	33,000,000	127,146,100
Repayment of loans and borrowings	25.1	(59,005,902)	(53,896,500)
Proceeds from unsecured bonds	25.2	-	50,000,000
Facility fee paid during the year	25.9	(988,838)	(1,607,234)
Principal portion of lease payments	26	(7,452,031)	(25,575,166)
Dividend paid	29	(10,000,000)	(20,000,000)
<b>Net cash flows (used in) / from financing activities</b>		<b>(44,446,771)</b>	<b>76,067,200</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(33,181,965)</b>	<b>(73,515,889)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>(12,707,321)</b>	<b>60,808,569</b>
<b>Cash and cash equivalents at end of the year</b>	22	<b>(45,889,286)</b>	<b>(12,707,321)</b>

The figures in bracket indicate deductions.

These consolidated financial statements are to be read in conjunction with the related notes which form an integral part of these consolidated financial statements of the Group set out on pages 11 to 56. The Report of the Independent Auditors' is given on pages 1 to 5.

**MALDIVES PORTS LIMITED**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. REPORTING ENTITY**

**1.1 Parent Company**

Maldives Ports Limited (the "Company") is a limited liability Company, which is fully owned by the Government of Maldives. The Company (the "Parent") was incorporated in the Republic of Maldives on 31 July 2008 under the Companies' Act No. 10 of 1996. The registered office of the Company is situated at Bodhuthakurufaanu Magu, Male', Republic of Maldives.

Principal business activities of the Company include providing harbour facilities, storage, supplies and repair and maintenance services of ships and other ocean-going vessels. Beyond the main operation, the Company constructs a housing project.

The Company is the immediate holding Company of Kulhudhufushi Port Private Limited which operates the regional port at North Kulhudhufushi Island.

**1.2 Subsidiary**

**Kulhudhufushi Port Private Limited**

Kulhudhufushi Port Private Limited is a limited liability Company (the "Subsidiary") incorporated and domiciled in the Republic of Maldives since 12th July 2009 under the Companies' Act 10 of 1996, with its registered office at Ma. Ministry of Finance, Ameenee Magu, Male', Republic of Maldives. Principal business activities of the Subsidiary include providing harbour facilities, storage, supplies and repair and maintenance services of ships and other ocean-going vessels.

The consolidated financial statements of the Group for the year ended 31st December 2024 comprises the Company and its subsidiary (together referred to as the "Group").

**2. BASIS OF PREPARATION**

**(a) Statement of compliance**

The consolidated financial statements have been prepared in accordance with IFRS Accounting standards.

**(b) Functional and presentation currency**

The Group's consolidated financial statements are presented in Maldivian Rufiyaa, which is the Group's functional and presentation currency.

**(c) Use of estimates and judgements**

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of the Group's 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 estimates are recognized prospectively.



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**2. BASIS OF PREPARATION (CONTINUED)**

**(c) Use of estimates and judgements (Continued)**

**(i) Judgements**

Information about critical judgment in applying accounting policies that has the most significant effect on the amounts recognized in the consolidated financial statements is included in the respective notes.

**(ii) Assumptions and Estimation Uncertainties**

Information about assumptions and estimation uncertainties at 31st December 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the respective notes. The areas involving significant estimates or judgements are:

- Loss allowance for expected credit losses - note 4.4 and 20
- Estimated useful life of property plant and equipment - note 4.6 and 14
- Estimation uncertainties and judgements made in employee retirement benefits - note 4.11 and 27.5
- Estimation uncertainties and judgements made in relation to lease accounting - note 4.18, 17 and 26.3

**(d) Measurement of fair values**

A number of the Group accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follow;

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**3. CHANGES IN MATERIAL ACCOUNTING POLICIES**

The Group adopted Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 01st January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.



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**FOR THE YEAR ENDED 31 DECEMBER 2024**

**3. CHANGES IN MATERIAL ACCOUNTING POLICIES (CONTINUED)**

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements. However, this change had not impacted to the Group's financial statements for the year ended 31st December 2024.

In addition, a number of new standards are effective from 01st January 2023, but they do not have a material effect on the Group's financial statements.

**4. MATERIAL ACCOUNTING POLICY INFORMATION**

The accounting policies set out below have been applied consistently to all periods presented in consolidated financial statements and have been applied consistently by the Group.

**4.1 Basis of Consolidation**

**(i) Business Combination**

The Group accounted for business combination using the acquisition method when control is transferred to the Group. The consideration transfer in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargaining purchase is recognized in the profit or loss immediately. Transaction cost expenses as incurred, except if related to the issue of equity securities.

The consideration transfer does not include amounts related to settlement of pre-existing relationships such amount recognized as profit or loss.

**(ii) Subsidiary**

Subsidiary is an entity controlled by the Group. 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 accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

**(iii) Non-Controlling Interest**

Non-controlling interest are measured at their proportionate share of the acquirer's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

**(iv) Loss of Control**

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



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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.1 Basis of Consolidation (Continued)**

**(v) Transactions Eliminated on Consolidation**

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

**4.2 Transactions in foreign currencies**

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

Non-monetary assets and liabilities, which are measured at historical cost, denominated in currencies other than Maldivian Rufiyaa, are translated to Maldivian Rufiyaa at the exchange rates ruling at the dates of transactions. Non-monetary assets and liabilities, which are stated at fair value, denominated in currencies other than Maldivian Rufiyaa, are translated to Maldivian Rufiyaa at the exchange rates ruling at the dates the values were determined.

**4.3 Financial instruments**

**(i) Classification and subsequent measurement**

**Financial assets**

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 (fair value through profit and loss).

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:

- 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.

**Financial assets - business model assessment**

The 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 management. The information considered includes:

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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.3 Financial instruments (Continued)**

**Financial assets (Continued)**

**Financial assets - business model assessment (Continued)**

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and,
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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**

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 this assessment, the Group considers:

- contingent events 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 (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments 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 compensation for early termination of the contract.



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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.3 Financial instruments (Continued)**

**Financial assets (Continued)**

Additionally, for a financial asset acquired at a discount or premium to its contractual par-amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

**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.

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.

**(ii) De-recognition**

**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 de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognized in profit or loss.

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, which are measured at 12 month ECLs.

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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.4 Impairment**

**(i) Financial assets (including receivables)**

The Group recognize loss allowance for ECLs (expected credit loss) on financial assets measured at amortized cost. The Group measures loss allowances at an amount equal to lifetime ECLs, except for the Loss allowances for trade receivables 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.

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.

**Measurement of ECLs**

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

**Credit-impaired financial assets**

At each reporting date, the Group assesses whether financial assets carried at amortized cost 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 debtor;
- a breach of contract such as a default;
- it is probable that the debtor will enter bankruptcy or other financial reorganization;

**Presentation of allowance for ECL in the statement of financial position**

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



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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**(ii) Non-financial assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually 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 groups of assets.

**4.5 Equity**

**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.

**Other components of equity**

Other component of equity consists of the fair value of the land awarded to the Subsidiary by the Group's shareholder for port operations.

**4.6 Property, plant and equipment**

**(i) Recognition and measurement**

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

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.

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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.6 Property, plant and equipment (Continued)**

**(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 recognised 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. 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. Land is not depreciated.

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

Port infrastructure and buildings	Over 7-25 years
Vehicles	Over 7-15 years
Vessels	Over 7-15 years
Furniture and fittings	Over 2-5 years
Office equipment	Over 2-5 years
Machinery	Over 2-4 years
Tools	Over 2-4 years
Utensils	Over 2-3 years
Others and motor bicycles	Over 2-4 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 date in which the property, plant and equipment are ready for use.

**4.7 Capital work in progress**

Assets under construction as at the reporting date represents the costs incurred or accrued for the projects which are not commissioned for commercial operation as at the reporting date.

**4.8 Investment property**

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, used in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost less accumulated depreciation and impairment losses.



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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.8 Investment property (continued)**

Depreciation on investment properties is recognized on a straight-line basis over the following estimated useful lives.

**Leasehold buildings - Over 25 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 investment property is available for use.

**Subsequent costs**

The cost of replacing a part of an item of investment property 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 investment property are recognized in profit or loss as incurred.

**4.9 Intangible assets**

Intangible assets acquired by the Group are stated at cost less accumulated amortization and impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss when incurred.

**Amortization**

Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of assets unless such lives are indefinite. The estimated useful lives are as follows:

Computer software      Over 3 years

**4.10 Inventories**

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is determined on first in, first out (FIFO) basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.11 Employee benefits**

**(a) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

All local (Maldivian National) Employees are eligible for Maldives Retirement Pension Scheme (MRPS) contribution according to the terms of the Maldives Pension Act Law No. 8/2009 handled by Maldives Pension Administration Office (MPAO) from May 2011.

**(b) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods and discounting that amount to determine its present value. The calculation is performed by a professional actuary in every three years in compliance with accounting requirements.

**(c) Short-term benefits**

Short-term employee benefit obligations of the Group are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus 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.

**4.12 Cash and cash equivalents**

Cash and cash equivalents in the statement of financial position comprise of cash in hand and balance with banks. Statement of cash flows is prepared in "indirect method". For the purpose of statement of cash flows, cash and cash equivalents consist of cash in hand and balances with banks as defined above, net of outstanding bank overdrafts, if any.

**4.13 Borrowing costs**

Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent where borrowing costs that are directly attributable to the acquisition, construction, or production of an asset that takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of that asset.



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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.14 Dividends**

The Group recognizes a liability to pay a dividend when the distribution is authorized, and the distribution is no longer at the discretion of the Group. As per the corporate laws of Maldives, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

**4.15 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.

**4.16 Revenue**

Performance obligations and revenue recognition policies The Group is in the business of providing harbor facilities and related activities. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the services delivered, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

**Rendering of services**

The Group recognizes revenue from harbor operation services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group. Revenue from the transport operations are recognized at a point in time, generally upon delivery of the service.

**Sale of goods**

Revenue from sale of goods is recognized at the point in time when control of the goods is transferred to the customer/guest, generally on delivery of the goods.

**Other income**

Other income is recognized on an accrual basis.

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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.16 Revenue (Continued)**

**Interest**

Interest income is recognized as the interest accrues unless collection is in doubt.

**Trade receivables**

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section "Financial instruments – initial recognition and subsequent measurement".

**Contract balances**

**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

**Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

**4.17 Government grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

**4.18 Leases**

At inception of a contract, the Group 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. 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.



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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.18 Leases (continued)**

**(i) As a lessee**

The Group recognizes 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.

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 amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, 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 in "Right-of-Use Asset" and lease liability in "Lease Liability" in the statement of financial position.



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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.18 Leases (continued)**

**Short-term leases and leases of low-value assets**

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognizes 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 contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the 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 is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract. The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease. The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

**4.19 Events occurring after the reporting date**

The materiality of the events occurring after the reporting date has been considered and appropriate adjustments and provisions have been made in the consolidated financial statements wherever necessary.

**4.20 Finance income and finance costs**

Finance income comprises interest income from investment on treasury bills, fixed deposits and interest income from promissory notes.

Finance cost comprises interest expense on borrowings and lease liability. Borrowing 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.



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**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.21 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 or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current tax assets and liabilities are offset only if certain criteria are met.

**• 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. Deferred tax is not recognized for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss.

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.

A deferred tax asset is recognized for unused tax losses, tax credits deductible temporary difference to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it no longer probable that the related tax benefits will be provided.

**• Sales tax**

Revenues, expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

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**5. STANDARDS ISSUED BUT NOT YET EFFECTIVE AND NEW AND AMENDED STANDARDS AND INTERPRETATIONS**

The new and amended standards and interpretations that are issued up to the date of issuance of the Group's financial statements but are not effective for the current annual reporting period, are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

**Amendments to IAS 21 - Lack of exchangeability**

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

**Amendments to IAS 21 - Lack of exchangeability ( continued)**

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's financial statement.

**IFRS 18 - Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The amendments are not expected to have a material impact on the Group's financial statement.



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**5. STANDARDS ISSUED BUT NOT YET EFFECTIVE AND NEW AND AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED)**

**IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments**

On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the ‘settlement date’ and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute ‘non-recourse features’ and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later.

The amendments are not expected to have a material impact on the Group’s financial statement.

**IFRS 19 Subsidiaries without Public Accountability: Disclosures**

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted. The amendments are not expected to have a material impact on the Group’s financial statement.

**Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity**

In December 2024, IASB issued amendments to IFRS 9 and IFRS 7, contracts referencing nature-dependent Electricity, which clarify the application of ‘own-use’ requirements, permitting these contracts to be used as a hedge instruments and adding new disclosure requirements.

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**5. STANDARDS ISSUED BUT NOT YET EFFECTIVE AND NEW AND AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED)**

**IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity (Continued)**

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adoption is permitted and must be disclosed. The amendments are not expected to have a material impact on the Group’s financial statement.

**Annual improvements to IFRS Accounting Standards – Volume II**

Annual improvements in the form of clarifications, update to language and/ or cross references have been made to the following IFRS Accounting Standards. These improvements are effective for annual reporting periods beginning on or after beginning on or after 1 January 2026. Earlier application is permitted.

- IFRS 1 First-time Adoption of International Financial Reporting Standards
- IFRS 9 Financial Instruments
- IFRS 7 Financial Instruments: Disclosures
- IFRS 10 Consolidated Financial Instruments
- IAS 7 Statement of Cashflows



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6 REVENUE	2024 MVR	2023 MVR Restated
Loading the cargo (Stevedoring, Storage, Quay wall, etc.)	297,310,657	287,353,396
Unloading the cargo (Handling, Wharfage, Lashing and unlashing, etc.)	249,159,959	221,833,527
Ship arrival and pilotage services	112,899,217	96,974,530
Clearing the goods	70,555,810	82,866,597
Empty containers and vessel departure	71,401,647	52,237,389
Income from Sale of electricity and water	41,107,284	35,592,049
Vessel and other equipment hiring charges	10,587,265	9,492,042
Port entry income	7,535,806	6,886,212
<b>860,557,644</b>	<b>793,235,742</b>	

**Timing of revenue recognition**

Goods and services transferred at a point in time	849,970,379	783,743,700
Services transferred over time	10,587,265	9,492,042
<b>860,557,644</b>	<b>793,235,742</b>	

**6.1 CONTRACT BALANCES**

Contract liabilities	2024 MVR	2023 MVR
	<b>5,644,290</b>	<b>3,767,900</b>

**7 OTHER INCOME**

Government grants (Note 7.1)	2024 MVR	2023 MVR Restated
Rent income (Note 7.2)	82,176,200	142,015,697
Penalty and fines	60,010,145	56,569,614
Miscellaneous income	557,592	1,006,220
Effect of curtailment of retirement benefit (Note 27)	8,917,927	7,377,931
Exchange gain	437,293	-
	<b>152,317,634</b>	<b>206,969,462</b>

7.1 As per the letter dated 26th December 2023, and subsequent correspondence in connection with the same, the Ministry of Finance has approved to compensate the loss arising from sale of apartments to staff totalling to MVR 224,191,898/- including day one loss on providing installment plan ranging up to 25 years at subsidised interest rate of 6% amounting to MVR 159,980,538/- and loss on sale of apartments less than its cost of construction amounting to MVR 56,460,289/- together with impairment loss amounting to MVR 7,751,070/. During the year Government grant income amounting to MVR 82,176,200/- (2023: MVR 142,015,697/-) was recognised in the statement of profit or loss.

7.2 Rent income consist of income generated from containers and other equipment amounting to MVR 48,242,576/- (2023: MVR 46,007,907/-) which are rented to store vessel cargo to customers and rent income from investment property as disclosed in Note 15.

**8 OTHER OPERATING EXPENSES**

	2024 MVR	2023 MVR Restated
Provision for impairment- Hiva project	-	7,751,070
Repair and maintenance expenses	52,769,374	46,068,282
Fuel expenses	43,327,221	46,169,100
Utility expenses	34,944,942	33,156,686
Bank charges	12,646,429	10,443,688
Advertisement and promotional expenses	10,825,275	7,823,563
Office expenses	3,582,787	6,407,306
Travelling	7,451,071	6,400,939
License and fees	5,241,676	5,948,161
Cargo clearing and gearing charges	2,591,204	5,061,465
Professional fees	1,599,445	3,371,097
CSR and public relation activities	2,072,612	2,788,181
Insurance	2,814,068	2,052,564
Discounts allowed	2,556,530	1,230,431
Lubricants and oil	1,048,941	764,894
Rent expenses	2,562,815	688,422
Hiring charges	543,029	129,626
Memberships and subscriptions	261,332	240,654
Slow moving provision for inventories	4,346,780	-
Other expenses	1,976,300	2,391,281
Telephone and communication	101,439	-
Training	74,961	-
Fine expense	750	-
PR & marketing	4,444	-
Food and accommodation	91,523	-
Freight Charges	8,848	-
Recreation Expenses	212,768	-
Annual day	22,451	-
Cost of Sales - TLF	1,012,264	-
Provision for impairment - trade and other receivables	8,039,458	-
Capital work in progress writeoff	26,418,493	-
Safety Expenses	38,352	-
Sub Contract-Stevedoring	16,718	-
Printing and stationery	27,798	-
Software Expenses	6,755	-
Derecognition loss on lease liability	-	303,193
Other receivable written off	6,324,208	-
	<b>235,563,059</b>	<b>189,198,603</b>



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**9 STAFF COST**

	2024 MVR	2023 MVR Restated
Salaries and wages	186,347,866	157,841,435
Staff allowances	335,354,503	274,930,313
Overtime	20,966,693	16,986,687
Staff training expenses	4,240,385	13,156,319
Gratuity expense	3,779,142	6,419,635
Pension contribution	11,897,887	9,946,120
Bonus	-	4,605,000
Staff benefit on housing project (Note 19.3)	82,176,200	134,264,626
Uniform expenses	3,815,103	1,226,434
Staff compensation	3,679,403	684,918
Medical expenses	63,575	43,056
Directors allowance	47,500	50,500
Other expenses and allowances	23,395,943	25,811,606
	<b>675,764,200</b>	<b>645,966,649</b>

**10 DEPRECIATION AND AMORTIZATION**

	2024 MVR	2023 MVR Restated
Depreciation of property, plant and equipment (Note 14)	67,466,330	68,357,274
Depreciation of right of use assets (Note 17)	11,931,095	15,587,300
Depreciation of investment property (Note 15)	1,293,859	1,293,247
Amortization of intangible assets (Note 16)	848,360	25,203
	<b>81,539,644</b>	<b>85,263,024</b>

**11 NET FINANCE COSTS**

	2024 MVR	2023 MVR Restated
Interest income from staff loans (Note 20.2)	43,478,078	9,671,980
Interest income from promissory notes (Note 21.2)	3,018,342	3,235,962
Interest income from investment on treasury bills (Note 21.1)	341,908	2,734,654
Unwinding interest on amount due from MTCC (Note 20.3)	262,754	143,076
Interest income from security deposit	8,583,377	50,794
	<b>55,684,458</b>	<b>15,836,466</b>

**Finance costs**

Interest on interest bearing loans and borrowings (Note 25.1)	(13,017,589)	(13,245,656)
Interest expense on lease liabilities (Note 26)	(13,116,068)	(13,279,561)
Amortization of loan arrangement fee (Note 25.9)	(1,866,024)	(1,204,949)
Amortization fee for overdraft arrangement fee	(687,500)	(800,000)
Interest expense on overdraft facility	(4,667,499)	(2,025,536)
Interest expense on unsecured bond issue (Note 25.2)	(3,500,000)	(1,750,000)
	<b>(36,854,681)</b>	<b>(32,305,702)</b>

**Net finance costs**

	2024
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**12 TAX EXPENSE (CONTINUED)**

**12.1 Reconciliation between accounting profit and taxable income:**

	2024 MVR	2023 MVR
Profit before tax	38,838,153	64,244,554
Add: Depreciation charge for the year	81,539,644	69,484,205
Other disallowable expenses	99,333,449	30,565,944
Less: Capital allowances	(61,843,565)	(60,125,083)
Other allowable expenses	(56,038,413)	(37,549,900)
Tax losses for the year	-	8,976,308
Less: Tax free allowance	(250,000)	(250,000)
Total taxable income	101,579,268	75,346,028
<b>Income tax @ 15%</b>	<b>15,236,890</b>	<b>11,301,904</b>
Effective income tax rate	15%	15%
Effective current tax rate ( <b>Note 12.8</b> )	28%	23%

In accordance with the provisions of the Income Tax Act No. 25 of 2019 and the Income Tax Regulations No. 2020/R-21 and amendments thereto, the Group is liable for income tax on its taxable profits at the rate of 15%.

**12.2 Deferred tax asset**

	2024 MVR	2023 MVR
Opening balance	13,183,820	16,736,376
<b>Items recognized in profit or loss</b>		
Charged/(reversal) during the year	4,238,473	(3,376,984)
<b>Items recognized in other comprehensive income</b>		
Charged/(reversal) during the year	985,219	(175,572)
<b>Closing balance</b>	<b>18,407,512</b>	<b>13,183,820</b>

**12.3 Recognized deferred taxes are attributable to the following:**

	31/12/2024		31/12/2023	
	Temporary Difference	Tax Effect	Temporary Difference	Tax Effect
	MVR	MVR	MVR	MVR
Property, plant and equipment, investment property and intangible assets	62,641,011	9,396,152	65,610,273	9,841,541
Provision for impairment on trade and other receivables	15,174,922	2,276,238	7,135,464	1,070,320
Provision for impairment of inventories	6,020,679	903,102	1,669,749	250,462
Employee defined benefit liabilities	14,096,370	2,114,456	13,476,646	2,021,497
Provision for Capital working progress impairment	24,783,762	3,717,564	-	-
	<b>122,716,744</b>	<b>18,407,512</b>	<b>87,892,132</b>	<b>13,183,820</b>

The provision on deferred tax is made on temporary differences between the carrying value and tax base. The Group's management expects to earn future taxable profits and therefore deferred tax assets have been recognized.

**12.4 Unrecognized deferred tax asset**

Unrecognized deferred tax asset is attributable to the following:

	31/12/2024		31/12/2023	
	Temporary Difference	Tax Effect	Temporary Difference	Tax Effect
	MVR	MVR	MVR	MVR
Property, plant and equipment	17,214,144	2,582,122	14,236,061	2,135,409
Defined benefit obligation	1,580,857	237,129	966,030	144,905
Accumulated tax losses	34,298,321	5,144,748	31,291,655	4,693,748
	<b>53,093,321</b>	<b>7,963,998</b>	<b>46,493,746</b>	<b>6,974,062</b>

The Group has not recognized deferred tax asset against temporary differences from its Subsidiary because it is not probable that future taxable profit will be available against which the Group can utilize the benefits there from. Accumulated tax losses are shown in respect of the Subsidiary's losses over the last six years.



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**12 TAX EXPENSE (CONTINUED)**

**12.5 Accumulated tax losses**

	2024 MVR	2023 MVR
Opening balance	31,291,655	29,987,352
Written off loss during the year	(9,349,179)	(7,672,006)
Tax loss for the year	12,355,845	8,976,308
<b>Closing balance</b>	<b>34,298,321</b>	<b>31,291,655</b>

Accumulated tax losses are shown in respect of the Subsidiary's losses are set to expire as follows,

	Amount MVR	2025 MVR	2026 MVR	2028 MVR	2029 MVR
Tax loss for the year 2021	6,785,460	6,785,460	-	-	-
Tax loss for the year 2022	6,180,708	-	6,180,708	-	-
Tax loss for the year 2023	8,976,308	-	-	8,976,308	-
Tax loss for the year 2024	12,355,845	-	-	-	12,355,845
	<b>34,298,321</b>	<b>6,785,460</b>	<b>6,180,708</b>	<b>8,976,308</b>	<b>12,355,845</b>

**12.6 INCOME TAX PAYABLE**

	2024 MVR	2023 MVR
Opening balance	8,335,991	11,484,188
Income tax charged during the year ( <b>Note 12.1</b> )	15,236,890	11,301,904
Under / (Over) provision in respect of prior year ( <b>Note 12.7</b> )	-	91,365
Payments during the year	(14,428,307)	(14,541,466)
<b>Closing balance</b>	<b>9,144,574</b>	<b>8,335,991</b>

**12.7 Under provision in respect of prior year**

	2024 MVR	2023 MVR
Under provision of tax liability of prior year vs tax return	-	91,365
	<b>-</b>	<b>91,365</b>

**12.8 Reconciliation of effective income tax rate**

	2024

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## 14 PROPERTY, PLANT AND EQUIPMENT

As at 31<sup>st</sup> December 2024

	Land	Port Infrastructure and Buildings	Vehicles and Vessels	Furniture and Office Equipment	Machinery, Equipment and Tools	Utensils and Other Assets	Capital Work in Progress	Total 31/12/2024
	MVR	MVR	MVR	MVR	MVR	MVR	MVR	MVR
<b>Cost</b>								
As at 01 <sup>st</sup> January	76,415,260	447,661,026	681,398,111	75,062,613	51,774,341	25,999,508	105,932,919	1,464,243,778
Additions during the year	-	2,635,898	20,566,799	8,764,493	2,778,381	5,659,343	591,681,407	632,036,322
Disposals during the year	-	-	-	-	-	-	(51,732,937)	(51,732,937)
Capitalized during the year	-	-	-	-	-	-	(3,125,850)	(3,125,850)
<b>As at 31<sup>st</sup> December</b>	<b>76,415,260</b>	<b>450,296,924</b>	<b>701,964,910</b>	<b>83,827,106</b>	<b>54,502,722</b>	<b>31,658,851</b>	<b>642,755,539</b>	<b>2,041,421,312</b>
<b>Accumulated depreciation and impairment losses</b>								
As at 01 <sup>st</sup> January	-	225,012,025	402,184,937	60,340,677	43,949,138	19,227,111	2,418,463	753,132,351
Charge for the year	-	17,738,559	36,598,444	7,563,986	2,200,490	3,364,851	24,783,762	92,250,092
<b>Net carrying value</b>	<b>76,415,260</b>	<b>207,546,340</b>	<b>263,181,529</b>	<b>15,922,443</b>	<b>8,353,094</b>	<b>9,066,889</b>	<b>615,553,314</b>	<b>1,196,038,869</b>

14.1 The Group has fully depreciated property, plant and equipment as at 31<sup>st</sup> December 2024 amounted to MVR 321,049,920/- (2023: MVR 259,569,302/-).

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## 14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 31<sup>st</sup> December 2023

	Land	Port Infrastructure and Buildings	Vehicles and Vessels	Furniture and Office Equipment	Machinery, Equipment and Tools	Utensils and Other Assets	Capital Work in Progress	Total 31/12/2023
	MVR	MVR	MVR	MVR	MVR	MVR	MVR	MVR
<b>Cost</b>								
As at 01 <sup>st</sup> January	76,415,260	420,341,410	644,074,805	67,524,524	46,334,451	22,283,525	110,676,401	1,387,650,376
Additions during the year	-	1,862,399	60,818,340	7,989,585	5,786,578	3,725,833	20,713,735	100,896,469
Disposals during the year	-	-	(23,495,034)	(451,496)	(346,688)	(9,850)	-	(24,303,068)
Capitalized during the year	-	-	-	-	-	-	(25,457,217)	-
<b>As at 31<sup>st</sup> December</b>	<b>76,415,260</b>	<b>447,661,026</b>	<b>681,398,111</b>	<b>75,062,613</b>	<b>51,774,341</b>	<b>25,999,508</b>	<b>105,932,919</b>	<b>1,464,243,778</b>
<b>Accumulated depreciation and impairment losses</b>								
As at 01 <sup>st</sup> January	-	207,567,412	380,417,759	54,073,789	41,037,837	16,574,899	2,418,463	702,090,159
Charge for the year	-	17,444,613	38,419,386	6,581,826	3,249,387	2,662,062	-	68,357,274
Disposals during the year	-	-	(16,552,208)	(314,938)	(338,086)	(9,850)	-	(17,315,082)
<b>As at 31<sup>st</sup> December</b>	<b>76,415,260</b>	<b>222,649,901</b>	<b>279,213,174</b>	<b>14,721,936</b>	<b>7,825,203</b>	<b>6,772,397</b>	<b>103,514,456</b>	<b>711,111,427</b>
<b>Net carrying value</b>								

14.3 The Group has fully depreciated property, plant and equipment as at 31<sup>st</sup> December 2023 amounted to MVR 259,569,302/- (2022: MVR 165,568,530/-)

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**14 PROPERTY PLANT AND EQUIPMENT (CONTINUED)**

14.4 Provision for impairment loss of CWIP	2024	2023
	MVR	MVR
Opening balance	2,418,463	2,418,463
Provision recognized during the year	24,783,762	-
<b>Closing balance</b>	<b>27,202,225</b>	<b>2,418,463</b>

Capital work-in-progress includes an amount of MVR 24,783,762/- (2023 : MVR 24,783,732/-) which has been incurred for the construction of a tug boat for harbor operation. The construction process had been discontinued since the year 2010 due to a dispute with the contractor.

In addition to the above, capital work in progress includes the cost incurred for the construction of Thilafushi boundary wall, MNH service counter renovation, MCH workshop and MCH ground levelling project.

**14.5** The Group has recognized a land amounting to MVR 76,415,260/- which was granted to the subsidiary by the Kulhudhufushi City Council on behalf of the Government of Maldives, to support the operations of the Kulhudhufushi regional port under its Subsidiary. The land has been in use for the operations of the Subsidiary since its inception on 12<sup>th</sup> July 2009, and legal ownership of the land was transferred from the council to the Subsidiary on 28<sup>th</sup> February 2023.

The Group has determined the value for the land in Kulhudhufushi, based on market prices (per square feet) disclosed by the Government of Maldives.

**15 INVESTMENT PROPERTY**

	ROU Asset	Lease hold Building	Total 2024	Total 2023
	MVR	MVR	MVR	MVR
<b>Cost</b>				<b>Restated</b>
Opening balance	11,639,400	22,847,009	34,486,409	41,246,651
Restatement adjustment	-	-	-	(6,760,242)
<b>Closing balance</b>	<b>11,639,400</b>	<b>22,847,009</b>	<b>34,486,409</b>	<b>34,486,409</b>
<b>Accumulated amortization</b>				
Opening balance	1,528,148	10,757,226	12,285,374	13,178,234
Restatement adjustment	-	-	-	(2,186,107)
				10,992,127
Charge for the year	305,630	988,229	1,293,859	1,293,247
<b>Closing balance</b>	<b>1,833,778</b>	<b>11,745,455</b>	<b>13,579,232</b>	<b>12,285,374</b>
<b>Net carrying value</b>	<b>9,805,622</b>	<b>11,101,554</b>	<b>20,907,177</b>	<b>22,201,035</b>

Investment property comprises port complex building and the land which is located at Hilaalee Magu, Male'. This is a dual purpose property of which significant portion has been leased out to third parties. The Group has classified the portion of dual use property as an investment property since it can be leased out separately under a operating lease. Additionally, investment property includes a guesthouse which is located in Kulhudhufushi island and operated by the Subsidiary of the Group. The rental income recognized from this properties is amounting to MVR 11,151,715/- during the year ended 31<sup>st</sup> December 2024. (2023 : MVR 10,561,707/-).

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**16 INTANGIBLE ASSETS**

Cost	2024	2023
MVR	MVR	MVR
Opening balance	12,585,764	4,339,080
Transferred from CWIP (Note 16.1)	-	8,246,684
<b>Closing balance</b>	<b>12,585,764</b>	<b>12,585,764</b>
<b>Accumulated amortization</b>		
Opening balance	4,293,908	4,268,705
Amortization during the year	848,360	25,203
<b>Closing balance</b>	<b>5,142,268</b>	<b>4,293,908</b>
<b>Net carrying value</b>	<b>7,443,496</b>	<b>8,291,856</b>

**16.1 Capital work in progress**

2024	2023
MVR	MVR
Opening balance	-
Additions during the year	-
Capitalized during the year	-
<b>Closing Balance</b>	<b>-</b>

The capital work in progress represents the cost incurred for the implementation of Oracle ERP software.

**17 RIGHT-OF-USE ASSETS**

Cost	2024	2023
MVR	MVR	Restated
As at 01 <sup>st</sup> January	200,218,086	194,799,759
Additions during the year (Note 26.1 & 26.2)	18,740,831	17,416,458
Derecognition during the year (Note 26.2)	(5,511,848)	(11,998,131)
<b>As at 31<sup>st</sup> December</b>	<b>213,447,068</b>	<b>200,218,086</b>
<b>Accumulated depreciation</b>		
As at 01 <sup>st</sup> January	43,397,582	28,937,178
Charge for the year	11,931,095	15,587,300
Derecognition during the year (Note 26.2)	(3,695,444)	(1,126,896)
<b>As at 31<sup>st</sup> December</b>	<b>51,633,233</b>	<b>43,397,582</b>
<b>Net carrying value</b>	<b>161,813,834</b>	<b>156,820,504</b>

**17.1** The Group has recognized right of asset in relation to the leasehold rights obtained for industrial purposes at Male' Commercial Harbor, Port Complex, Thilafushi land and Hulhumalé International Terminal. Lease liability and right-of-use assets recognized in respect of the lease of Thilafushi land has been modified in accordance with the lease amendments and agreements entered with the Group.

**18 INVENTORIES**

2024	2023
MVR	MVR
Spare parts	77,039,974
Less: Provision for slow moving inventories (Note 18.1)	(6,020,679)
<b>71,019,295</b>	<b>73,108,521</b>



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**18 INVENTORIES (CONTINUED)**

**18.1 Provision for slow moving inventories**

	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
Opening balance	1,669,749	1,669,749
Provision charged during the year	4,350,930	-
<b>Closing balance</b>	<b>6,020,679</b>	<b>1,669,749</b>

**19 INVESTMENT IN HIYAA PROJECT**

	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
As at 01 <sup>st</sup> January	70,834,691	595,577,717
Additions during the year	-	132,426,481
Derecognized during the year (Note 19.2)	(66,198,868)	(649,418,437)
Provision for impairment (Note 19.3)	-	(7,751,070)
<b>As at 31<sup>st</sup> December</b>	<b>4,635,823</b>	<b>70,834,691</b>

**19.1 Social Housing Project**

As per the agreement dated 15 November 2017 between Maldives Port Limited (Developer) and Housing Development Corporation Limited (HDC), the Parent has been assigned to develop a three "Fourteen Story Residential Towers" at Hulhumale phase II plots no. N3-20(D), N3-20(E), N3-20(F) by HDC.

The parent has received a certificate of completion from W&A Overseas Private Limited (The Contractor of the project) as at 31st December 2023 and the project was considered as completed in 2023 and the parent has allocated the residential apartments in the Hiya Project to their existing staff after evaluation based on eligibility criteria. These staff have entered into agreements and payment plans (over different interest rates and for a period of 20-25 years with a further option for one off payment for the sale of the residential apartments, after which the apartment will transferred to their name.

**19.2** The investment in hiya project consists of 534 apartments which constructed with an intention of selling to employees of the parent. Consequently, the parent has sold 55 apartments during the year (2023: 475 apartments) and derecognized the related cost of apartments sold amounting to MVR 65,559,107/- (2023: MVR 649,418,438/- ) for the year ended 31st December 2024. The cost of the apartments sold have been determined by calculating the cost per square feet.

The recognized loss of the apartment sales is given below,

	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
Income from sale of apartments recognized as revenue	66,198,868	592,958,149
Cost of apartments sold recognized as other expenses	(66,198,868)	(649,418,437)
Government grants as other income (Note 19.3)	-	56,460,288
<b>Net gain/(loss) on sale of apartments</b>	<b>-</b>	<b>-</b>

**19.3 Staff benefit on housing project**

Loss on sale below the cost of construction recognised as government grant (Note 19.2)

Staff benefit on installment repayments scheme offered with below market interest rate

	82,176,200	77,804,338
	<b>82,176,200</b>	<b>134,264,626</b>



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**20 TRADE AND OTHER RECEIVABLES**

<b>2024</b>	<b>2023</b>
<b>MVR</b>	<b>MVR</b>
<b>Restated</b>	

Trade receivables	26,682,181	22,361,480
Amount due from related parties (Note 20.5)	83,899,177	54,320,630
Less: provision for impairment of trade receivables (Note 20.1)	(13,932,607)	(8,392,948)
	<b>96,648,751</b>	<b>68,289,162</b>
Receivable - Hiya apartment scheme (Note 20.2)	444,865,559	436,938,204
GST receivable	12,443,370	-
Advance payment to Housing Development Corporation Limited (Note 20.4)	-	138,195,000
Deposits	9,015,549	14,389,838
Prepayments and advances	65,543,304	23,568,543
Receivable from MTCC (Note 20.3)	13,651,637	15,688,029
Other receivables	25,142,174	14,810,419
Less: provision for impairment of other receivables	(2,755,062)	(255,263)
	<b>664,555,281</b>	<b>711,623,932</b>

**Maturity analysis**

<b>2024</b>	<b>2023</b>
<b>MVR</b>	<b>MVR</b>

Trade and other receivables - Current	277,378,823	217,206,236
Trade and other receivables - Non-current	387,176,457	494,417,696
	<b>664,555,281</b>	<b>711,623,932</b>

**20.1 Allowance for impairment loss on trade receivables**

<b>2024</b>	<b>2023</b>
<b>MVR</b>	<b>MVR</b>

Opening balance	8,392,948	9,321,810
Provision / (Reversal) during the year	5,539,659	(928,862)
<b>Closing balance</b>	<b>13,932,607</b>	<b>8,392,948</b>

20.2 As disclosed in Note 20.2 the Parent has sold 530 apartments by the year 31st December 2024. The Parent has sold these apartments similar to granting staff loans to their employees. The loans are bearing an interest rates of 6% to 10% for a tenure period of 20 to 25 Years.

<b>2024</b>	<b>2023</b>
<b>MVR</b>	<b>MVR</b>

Opening balance	436,938,204	-
Initial recognition of staff loans	-	505,070,562
Recognition of staff benefit cost on subsidised interest and deferments	(82,176,200)	(77,804,338)
Payments received during the year	(10,529,482)	-
Staff loans granted during the year	57,154,958	-
Interest income for the year	43,478,078	9,671,980
<b>Closing balance</b>	<b>444,865,559</b>	<b>436,938,204</b>

20.3 Pursuant to the agreement signed between the Parent, Ministry of Finance, Ministry of Transport and Civil Aviation and Maldives Transport and Contracting Company PLC (MTCC) dated 01 July 2021 and its subsequent amendment, the Company has discontinued the operations of public transportation service provided in Male' City, Addu City, Fuvahmulah City and Laamu Atoll as at that date. Accordingly, the Company has transferred all its assets, resources, and liabilities of the transport operation to MTCC. The final amount to be received from MTCC as at 01 July 2021 was MVR 24,951,465 to pay in 120 instalments over 10 years and as at 31 December 2024 it was recorded as MVR 13,651,637/- after fair value adjustment. In order to assess the fair value of the amount due from MTCC, interest rate was considered at the market rate of 3% for government loans, and the loss applicable to the transaction was recognized in finance costs. Additionally, the Company will continue to unwind the loss recognized over the 10 years.

<b>2024</b>	<b>2023</b>
<b>MVR</b>	<b>MVR</b>

Balance as at 01 <sup>st</sup> January	3,233,181	3,376,257
Unwinding interest during the year	(262,754)	(143,076)
<b>Balance as at 31<sup>st</sup> December</b>	<b>2,970,427</b>	<b>3,233,181</b>

20.4 The Group has made an advance payment in relation to the purchase of a 2,152,780 sq ft land in Thilafushi, as per the agreement number HDC/LDS/LS-2023/37 made with Housing Development Corporation (HDC). This agreement was entered into for the purpose of constructing an international, local and bulk port in Thilafushi island. The Group is currently seeking finance arrangement to complete the payment and are also in the process of finalizing the contractor to complete the port development project.



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**20 TRADE AND OTHER RECEIVABLES (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
Hithadhoo Port Limited	50,888,520	33,920,790
Maldives State Shipping Company Private Limited	23,438,489	10,166,573
Maldives Transport & Contracting Company PLC	-	3,462,373
State Trading Organization PLC	1,767,188	2,354,720
Maldives Industrial Fisheries Company	3,153,753	1,007,570
Road Development Corporation Limited	-	88,560
Maldives Road Development Company	-	39,520
Maldives Gas Private Limited	47,945	78,822
Maldives Airports Company Limited	11,700	30,396
Maldives National Defense Force	85,004	27,283
Fenaka Corporation Limited	-	16,612
Dhivehi Raajjege Gulhun PLC	-	6,000
Male' Water & Sewerage Company	1,898	-
Other Government Owned Organizations	4,504,680	3,121,411
	<b>83,899,177</b>	<b>54,320,630</b>

Amounts due from related parties are unsecured, interest free and does not have any repayments terms. Accordingly, the entire amount due is shown as falling due within one year.

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**21 OTHER FINANCIAL ASSETS**

	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
Investment in Treasury Bills (Note 21.1)	-	74,985,657
Receivable from MMPRC (Note 21.2)	24,747,206	16,651,446
	<b>24,747,206</b>	<b>91,637,103</b>
<i>Non-current</i>		
Receivable from MMPRC (Note 22.2)	57,893,432	62,970,850
	<b>57,893,432</b>	<b>62,970,850</b>
<b>21.1 Investment in treasury bills</b>		
	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
Opening balance	74,985,657	73,571,713
Investments made during the year	-	1,220,304
Withdrawals during the year	(74,985,657)	-
Interest income for the year	341,908	2,734,654
Interest income received	(341,908)	(2,541,014)
<b>Closing balance</b>	<b>-</b>	<b>74,985,657</b>

The Group has invested in Treasury Bills issued by the Government of Maldives. As at 31st December 2024, the Group held un-matured Treasury bills with a face value of MVR 75,000,000/- and during the year, the Group has withdrawn the investment in full (2023: MVR 75,000,000/-).

**21.2 Receivable from MMPRC**

	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
Opening balance	79,622,296	76,386,334
Interest income for the year	3,018,342	3,235,962
<b>Closing balance</b>	<b>82,640,638</b>	<b>79,622,296</b>
Non - current receivable	57,893,432	62,970,850
Current receivable	24,747,206	16,651,446
	<b>82,640,638</b>	<b>79,622,296</b>

Receivable from Maldives Marketing and Public Relation Corporation (MMPRC) amounting to MVR. 79,622,296/- includes two promissory notes which originally matured on 31st March and 27th April 2015 had been rolled over until 30th December 2015 and 25th March 2018 respectively. As per the agreement signed with the MMPRC dated 14th February 2020, the MMPRC has agreed to pay the receivable balance within 15 years with an interest rate of 4.6% per annum.

**22 CASH AND CASH EQUIVALENTS**

	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
Cash in hand	197,182	149,649
Cash at banks	23,678,344	19,851,144
<b>Cash and cash equivalent in the Statement of Financial Position</b>	<b>23,875,526</b>	<b>20,000,793</b>
Bank overdraft	(69,764,812)	(32,708,114)
<b>Cash and cash equivalent for the purpose of cash flows</b>	<b>(45,889,286)</b>	<b>(12,707,321)</b>



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**23 SHARE CAPITAL**

	<b>2024</b>	<b>2023</b>
	MVR	MVR
<b>Authorized share capital</b>		
6,225,000 ordinary shares of MVR.100/- each	<u>750,000,000</u>	<u>750,000,000</u>
<b>Issued and fully paid</b>		
4,750,000 ordinary shares of MVR.100/- each	<u>475,000,000</u>	<u>475,000,000</u>

**23.1 Other component of equity**

The fair value of the Government land awarded to Kulhudhufushi Port Limited has been considered as other component of equity. The portion of the land amount applicable to non-controlling interest has been adjusted accordingly.

**23.2 Dividends and voting rights**

The holders of Ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at Shareholders' meetings of the Group.

During the year ended 31st December 2024, the Board of Directors of the Group has declared a dividend of MVR 35,766,824/- (2023: MVR 67,561,690/-).

**24 NON-CONTROLLING INTEREST (NCI)**

	<b>2024</b>	<b>2023</b>
	MVR	MVR
Balance as at 01 <sup>st</sup> January	52,224,777	54,763,258
Share of loss for the year	(5,128,053)	(3,252,154)
Share of other comprehensive income for the year	(410,968)	713,673
<b>Balance as at 31<sup>st</sup> December</b>	<b><u>46,685,756</u></b>	<b><u>52,224,777</u></b>

**24.1** The following table summarizes the information relating to the Group's subsidiary that has a material non-controlling interest before any intra-group elimination.

**24.2 Kulhudhufushi Port Private Limited**

	<b>2024</b>	<b>2023</b>
	MVR	MVR
NCI Percentage	49%	49%
Non-current assets	121,803,729	116,887,770
Current assets	2,577,150	2,120,828
Non-current liabilities	(1,456,281)	(840,862)
Current liabilities	(27,647,544)	(11,586,558)
Net assets	<u>95,277,054</u>	<u>106,581,178</u>
<b>Net assets attributable to NCI</b>	<b>46,685,757</b>	<b>52,224,777</b>
Revenue	10,956,329	12,766,257
Loss for the year	(10,465,414)	(6,637,048)
Other comprehensive income for the year	(838,710)	1,456,475
Total comprehensive loss	(11,304,124)	(5,180,573)
Loss allocated to NCI	(5,128,053)	(3,252,154)
Other comprehensive loss allocated to NCI	<u>(410,968)</u>	<u>713,673</u>



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**25 LOANS AND BORROWINGS**

	<b>2024</b>	<b>2023</b>
	MVR	MVR
Secured loans (Note 25.1)	128,706,165	153,307,163
Unsecured bonds (Note 25.2)	51,750,000	51,750,000
	<b><u>180,456,165</u></b>	<b><u>205,057,163</u></b>

**25.1 Secured loans**

Balance as at 1 <sup>st</sup> January	154,735,089	81,173,969
Borrowings during the year	33,000,000	127,146,100
Unwinding of moratorium gain	527,718	311,520
Repayments during the year	(59,005,903)	(53,896,500)
Interest for the year	13,017,589	13,245,656
Interest paid during the year	(13,017,589)	(13,245,656)
	<b><u>129,256,905</u></b>	<b><u>154,735,089</u></b>
Unamortized facility fee (Note 25.8)	(550,740)	(1,427,926)
<b>Balance as at 31<sup>st</sup> December</b>	<b><u>128,706,165</u></b>	<b><u>153,307,163</u></b>

**25.2 Unsecured bonds**

Unsecured bond issued (Note 25.7)	50,000,000	50,000,000
Interest expense for the year	1,750,000	1,750,000
	<b><u>51,750,000</u></b>	<b><u>51,750,000</u></b>

**25.3 Sources of Finance**

Bank of Maldives PLC - Loan II (Note 25.4)	-	38,707,892
Bank of Ceylon (Note 25.5)	9,614,470	17,599,271
Commercial Bank of Maldives (Note 25.6)	86,513,177	97,000,000
Maldives Islamic Bank (Note 25.7)	32,578,519	-
Unsecured bond (Note 25.8)	51,750,000	51,750,000
	<b><u>180,456,166</u></b>	<b><u>205,057,163</u></b>

**25.4 Bank of Maldives PLC - Loan II**

The Group has obtained loan facility from the Bank of Maldives PLC, amounting to MVR.178,000,000/- on 27 October 2019 for the purpose of working capital requirements and to purchase port machinery and equipment. The loan carries fixed interest rate of 10%. The loan has to repay over 60 monthly installments of MVR 4,531,000/- each starting from 4 July 2019.

During the year the above loan has been fully settled by the Group.



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**25 LOANS AND BORROWINGS (CONTINUED)**

**25.5 Bank of Ceylon**

The Group has obtained loan facility from the Bank of Ceylon, amounting to MVR. 7,000,000/- and US\$ 2,000,000/- on 12<sup>th</sup> July 2018 and 28<sup>th</sup> June 2018 respectively for the purpose of developing and renovating Dhoogas guesthouse. The loan carries fixed interest rate of 8.50%. The loan has to repay over 84 months including 24 months grace period. The Group has secured the loan by primary mortgage over head leasehold right of the plot of land known as "Dhoogas" including all movable and immovable structures located in the northwest corner of Gan in Seenu Atoll owned by Maldives Ports Limited.

The Group has been granted a moratorium period of six months for the above loan facility commencing from 01 June 2020. Further, the Group is liable to pay funded interest of term loan facility of USD 90,000/- and MVR 300,000/- to Bank of Ceylon Male' branch within 24 months from the end of the moratorium to absorb the deferred interest for the moratorium period of above aforesaid term loans.

**25.6 Commercial Bank of Maldives**

The Group has obtained loan facility from the Commercial Bank of Maldives, amounting to MVR 97,000,000/- on 28<sup>th</sup> May 2023 for the purpose of part finance of land purchase in Thilafushi Phase 2 with regard to a development of a port. The loan carries fixed interest rate of 8.75%. The loan is due to repay over 48 months with equal monthly instalment of MVR 2,402,351/- payable after 12 months grace period. The Group has secured the loan by primary mortgage over the Port Complex (Block 207) premises. As per the agreement, the Group is required to obtain a comprehensive insurance policy of MVR 48,520,000/- in the joint names of the Bank and the Group, covering the risks of fire, riots, civil commotion, burglary, explosions, malicious damages and natural perils, with the original policy to be lodged with the bank.

**25.7 Maldives Islamic Bank**

The Group has obtained loan facility from the Maldives Islamic Bank, amounting to MVR. 33,000,000/- on 13th June 2024 for the purpose of to the bank to acquire partial ownership of the beneficial rights of the some assets owned by MPL, under Diminishing Musharakah concept. The proceed from the facility will be utilized for their working capital requirement. The loan facility carries interest rate as MIB base rate minus 3% (The bank current base rate is 10%) . The loan is due to repay over 60 months with indicative monthly instalment of MVR 192,500/- for first 12 months and indicative monthly installment of MVR 790, 226/-, starting from 13th month for the next 48 months. The Group has secured the loan by primary mortgage over the Tugboat 'Dream Veeru', certain Excavator, certain Reach Stackers, certain crane and the landing craft, 'Island builder - 2'. As per the agreement, the Company is required to renew the Takaful/insurance policy taken over the securities at least one month before expiry of the insurance coverage.

**25.8 Unsecured bond**

The Group has issued an unsecured private bond which listed in Viyana Platform by Maldives Stock Exchange amounting to MVR 50,000,000/- during the year 2023. These bonds carry an interest rate of 7% per annum for 07 years from the allotment date of 04<sup>th</sup> July 2023. Interest payments are made every six months after the date of allotment, until the bond is fully redeemed. The cumulative redemption as at 31<sup>st</sup> December 2023 equals to MVR 51,750,000/-.

During the year, the Group has issued bonds to both retail and institutional investors where key institutional investors holding 97% from the total unsecured bonds as at 31<sup>st</sup> December 2023. Accordingly, Allied Insurance Group of the Maldives holds bond amounts to MVR 15,000,000/- and Maldives Pension Administration Office holds MVR 33,500,000/- amount of bonds with seven years maturity which carry interest rate of 7% per annum.

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**25 LOANS AND BORROWINGS (CONTINUED)**

**25.9 Unamortized facility fee**

	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
Balance as at 1 <sup>st</sup> January	1,427,926	1,025,641
Facility fee paid during the year	988,838	1,607,234
Amortization during the year	(1,866,024)	(1,204,949)
<b>Balance as at 31<sup>st</sup> December</b>	<b>550,740</b>	<b>1,427,926</b>

**26 Maturity analysis**

	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
<b>Current</b>		
Bank of Maldives PLC - Loan II	-	38,707,892
Bank of Ceylon	9,319,392	8,117,897
Commercial Bank of Maldives	22,120,147	12,128,149
Maldives Islamic Bank	3,639,066	1,750,000
Unsecured bond	1,750,000	-
	<b>36,828,605</b>	<b>60,703,938</b>
<b>Non-current</b>		
Bank of Ceylon	295,078	-
Commercial Bank of Maldives	64,393,030	9,481,374
Maldives Islamic Bank	28,939,453	84,871,851
Unsecured bond	50,000,000	50,000,000
	<b>143,627,561</b>	<b>144,353,225</b>

**26 LEASE LIABILITIES**

	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
<b>Restated</b>		
Balance as at 1 <sup>st</sup> January	178,753,006	184,196,872
Additions during the year (Note 26.1)	18,740,831	11,376,273
Derecognition during the year (Note 26.2)	(2,055,315)	(4,524,535)
Interest for the year	13,116,068	13,279,561
Repayment during the year	(20,568,100)	(25,575,166)
<b>Balance as at 31<sup>st</sup> December</b>	<b>187,986,489</b>	<b>178,753,006</b>

The Group has recognized right of asset in relation to the leasehold rights obtained for industrial purposes at Male' Commercial Harbor, Port Complex, Thilafushi land and Hulhumalé International Terminal.



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**26 LEASE LIABILITIES (CONTINUED)**

**26.1** The Group has recognized right of asset in relation to the leasehold rights obtained for industrial purposes at Male' Commercial Harbor, Port Complex, Thilafushi land and Hulhumalé International Terminal.

**26.2** The Group has withdrawn from the old lease agreement for the premises known as the Thilafushi Island land plot, effective 31 July 2024. It has entered into a new lease agreement for the same land for the purposes of port operations for an additional six years period with Thilafushi Corporation Limited, effective from 31 August 2024.

**26.3 Maturity analysis**

	2024	2023
Discount rate	MVR	MVR
Non - current liability	7% - 9.5%	183,649,839
Current liability	7% - 9.5%	4,336,650
	<b>187,986,489</b>	<b>178,753,006</b>

**26.4 Maturity analysis of future contractual undiscounted cashflows**

	2024	2023
	MVR	MVR
Less than one year	20,568,100	25,038,180
Between one and five years	123,179,873	126,542,615
More than five years	277,948,206	290,608,635
	<b>421,696,179</b>	<b>442,189,430</b>

**26.5 Amounts recognized in profit or loss**

	2024	2023
	MVR	MVR
Interest on lease liability	13,116,068	13,279,561
Amortization on right of use asset	11,931,095	15,587,300
Depreciation of investment property	1,293,859	1,293,247
	<b>26,341,022</b>	<b>30,160,108</b>

**26.6 Amounts recognized in statement of cash flows**

	2024	2023
	MVR	MVR
Principal payments of lease during the year	7,452,031	12,295,605
Interest payments of lease during the year	13,116,068	13,279,561

**27 DEFINED BENEFIT OBLIGATION**

	2024	2023
	MVR	MVR
Opening balance	14,442,676	16,649,209
Current service cost	5,852,193	5,653,771
Past service cost	(437,293)	-
Interest cost	1,010,987	765,864
Curtailment of benefit	(6,534,638)	-
Remeasurement of defined benefit obligation	7,406,835	(2,626,952)
Benefits paid during the year	(6,063,533)	(5,999,216)
<b>Closing balance</b>	<b>15,677,227</b>	<b>14,442,676</b>



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**27 DEFINED BENEFIT OBLIGATION (CONTINUED)**

**27.1 Maturity analysis**

	2024	2023
	MVR	MVR
Employee defined benefit liabilities - Current	4,908,244	4,656,627
Employee defined benefit liabilities - Non - current	10,768,983	9,786,049
	<b>15,677,227</b>	<b>14,442,676</b>

**27.2** Following amounts are recognized in profit or loss and other comprehensive income during the year in respect of retirement benefit obligation.

	2024	2023
	MVR	MVR
Current service cost	5,852,193	5,653,771
Past service cost (Note 27.3)	(437,293)	-
Curtailment of benefit (Note 27.3)	(6,534,638)	-
Interest cost	1,010,987	765,864
	<b>(108,751)</b>	<b>6,419,635</b>

**27.3** During the year, the Group reversed MVR 6,568,125/- reflecting curtailment of benefit associated with its retirement benefit programme

	2024	2023
	MVR	MVR
Remeasurement of defined benefit obligation	(7,406,835)	2,626,952
Tax impact	985,219	(175,572)
<b>Actuarial (loss)/gain on obligation net of tax</b>	<b>(6,421,616)</b>	<b>2,451,380</b>

**27.5** The actuarial valuation for the year ended 31<sup>st</sup> December 2024 was carried out by a professionally qualified actuary, Charan Gupta Consultants Private Limited based on the following key assumption.

	2024	2023
Discounting rate	4.60%	7.00%
Future salary increase	2.00%	2.50%
Retirement age	65	65
Weighted average duration	5.16	5.09
Mortality rate inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)

\* IALM - Indian Assured Lives Mortality

During the year, the Group reversed MVR 6,568,125/- reflecting curtailment of benefit associated with its retirement benefit programme.

**Sensitivity analysis**

Values appearing in the consolidated financial statements are very sensitive to the changes in financial and non financial assumptions used.

A sensitivity analysis was carried out as follows,

	2024	2023
	MVR	MVR
<b>Impact of the change in salary increase (+0.50% / -0.50%)</b>		
- Impact to present value of obligation at the end of the year	530,749	530,749
<b>Impact of the change in discount rate (+0.50% / -0.50%)</b>		
- Impact to present value of obligation at the end of the year	(523,821)	(523,821)



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**28 TRADE AND OTHER PAYABLES**

	2024 MVR	2023 MVR
Trade payables	32,678,336	57,932,363
Accrued expenses	22,443,505	8,425,508
Refundable deposits	18,761,994	13,676,691
Other payables	66,188,146	4,287,091
	<b>140,071,980</b>	<b>84,321,653</b>
Payable for development and sale right (Note 28.1)	403,974,719	49,837,162
Amount due to related parties (Note 28.2)	28,069,233	16,117,036
Payable to contractors	23,749,813	42,841,455
Advances received on sale of apartments - Hiyaa Flats	-	4,272,688
	<b>595,865,745</b>	<b>197,389,994</b>

**Maturity analysis**

Trade and other payables - current	477,673,586	197,389,994
Trade and other payables - non-current	118,192,159	-
	<b>595,865,745</b>	<b>197,389,994</b>

**28.1** According to the agreement signed between the Group and Housing Development Corporation Limited (HDC) on 15th November 2017, the Group shall pay within 24 months from 15th November 2017, an amount at a rate of MVR 1,500/- per square feet less the cost for the development of bare shell ground floor as the consideration for development and sale rights. Accordingly, the Group has recognized an amount of MVR 403,974,719/- as payable to HDC for the development and sale right as at 31st December 2024 (2023: MVR 49,837,162/-).

The Group has made an agreement with Housing Development Corporation to the purchase of a 2,152,780 sq ft. land in Thilafushi phase 2. This agreement was entered into for the purpose of constructing an international, local and bulk port in Thilafushi island. In this year the HDC has agreed with the Group for a finance arrangement to complete the payment to HDC. Accordingly the Group has recognized an amount of MVR 354,137,557/- as payable to HDC for the development and sale right as at 31st December 2024.

**28.2 Amount due to related parties**

	2024 MVR	2023 MVR
Ministry of Finance and Treasury	14,335,947	14,335,947
Fuel Supplies Maldives Pte Limited	1,355,658	1,077,125
Road Development Corporation Limited	-	495,311
Maldives Transport & Contracting Company PLC	10,366,696	178,086
Island Aviation Services Limited	36,583	-
State Trading Organization PLC	-	20,756
Maldives Airports Company Limited	-	8,465
State Electric Company Limited	-	1,346
Waste Management Corporation Limited	180	-
Housing Development Corporation Limited	1,974,169	-
	<b>28,069,233</b>	<b>16,117,036</b>

**29 DIVIDEND PAYABLE TO MINISTRY OF FINANCE AND TREASURY**

	2024 MVR	2023 MVR	Restated
Opening balance	196,823,292	291,277,299	
Dividend declared/reversal during the year	35,766,824	67,561,690	
Dividend payments during the year	(10,000,000)	(20,000,000)	
Set off against the loss arising from Hiyaa project (Note 7.2)	(82,176,200)	(142,015,697)	
Set off against the transfer of Dhoogas guest house project	(50,097,668)	-	
Adjustments	6,324,208	-	
<b>Closing balance</b>	<b>96,640,456</b>	<b>196,823,292</b>	



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**29 DIVIDEND PAYABLE TO MINISTRY OF FINANCE AND TREASURY (CONTINUED)**

**29.1 Dhoogas guest house project**

On 29th March 2022, a tri-party agreement has signed by the Parent with Addu International Airport Private Limited (AIA) and the Government of Maldives ("GoM"), represented by Ministry of Finance (MoF) regarding the construction of Dhoogas Guest House and transfer of ownership of the guest house to AIA. As at 31st December 2024, transfer of ownership of the guest house to AIA has been completed and the consideration amounting to amounting to MVR 50,097,668/- has been agreed to be set off against the dividend payable to Ministry of Finance..

**30 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

**Financial risk management**

**Overview**

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

**Risk management framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

**(i) Credit risk**

**Exposure to 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.

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

	Carrying amount	
	2024 MVR	2023 MVR
Trade and other receivables, other than staff loan receivable	128,051,411	97,234,156
Staff loan receivable	444,865,559	409,671,815
Amounts due from related parties	83,899,177	54,320,630
Balances with banks	23,678,344	19,851,144
Other financial assets	24,747,206	91,637,103
	<b>705,241,696</b>	<b>672,714,848</b>

**Expected credit loss assessment**

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.

Scalar factors are based on actual and forecast GDP growth rates and normalized average GDP use for ECL assessment.



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**30 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

**(i) Credit risk (Continued)**

**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)

**Trade and other receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. There is no concentration of credit risk geographically.

Impairment losses	31/12/2024			31/12/2023		
	Weighted average loss rate	Gross carrying amount	Loss allowance	Weighted average loss rate	Gross carrying amount	Loss allowance
		MVR	MVR		MVR	MVR
<i>The aging of trade receivables at the reporting date was:</i>						
0-30 days past due	0%	35,804,519	33,290	0%	10,919,215	15,304
31-60 days past due	1%	377,852	2,652	0%	1,944,983	2,948
61-90 days past due	2%	287,700	4,638	1%	212,693	3,654
91-120 days past due	3%	443,629	12,760	3%	420,229	17,242
121-150 days past due	5%	308,785	16,246	4%	78,641	4,721
151-180 days past due	9%	463,107	40,252	7%	199,356	18,835
181-365 days past due	36%	1,408,582	510,815	28%	339,053	82,934
Over 365 days	100%	9,314,442	9,300,517	86%	8,247,310	8,247,310
<b>Total</b>		<b>48,408,615</b>	<b>9,921,169</b>		<b>22,361,480</b>	<b>8,392,948</b>
Amount due from related parties	4.60%	87,205,172	4,011,438		-	-
<b>Total</b>		<b>135,613,788</b>	<b>13,932,607</b>		-	-

The Group believes that the unimpaired amounts that are outstanding are still collectible, based on historic payment behavior. Based on historic default rates, the Group believes that, apart from the above, no additional provision is required.

**Amounts due from related parties**

In respect of related party balances ECL allowance of MVR 4,011,438/- was estimated by applying discount rate of 4.6% (interest rate applicable for treasury bills) to compensate the time value over the expected time of repayment.

**Balances with bank**

The Group held favourable cash and cash equivalents of MVR 23,678,344/- as at 31<sup>st</sup> December 2024 (2023 : MVR 19,851,144/-). These balances are held with banks that Management believes are of high credit quality and accordingly, minimal credit risk exists.

**Staff loan receivable**

Management believes that there is no credit risk from staff loans arising from the sold apartments to their employees. The loans are carrying an interest rates ranging from 6% to 10% over 20 to 25 years. Additionally, the Group and employees have agreed that the Group retains ownership of the apartment until full payment is settled as per the agreement terms.

**Other financial assets**

Management believes that there is no credit risk from other financial assets which including the investment of treasury bills and receivables from MMPRC since Ministry of Finance as their common shareholder, with ownership held by the Government of Maldives.

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FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024

**30 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)**

**(ii) 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 as at the reporting date.

31 <sup>st</sup> December 2024	Carrying Amount	Contractual Cashflows	0-12 Months	1-2 Years	2-5 Years	More than 5 years
	MVR	MVR	MVR	MVR	MVR	MVR
<b>Financial liabilities (Non-derivative)</b>						
Trade and other payables	567,976,512	588,658,955	588,658,955	-	-	-
Loans and borrowings	180,456,165	210,014,874	45,160,169	82,716,551	82,138,154	-
Amounts due to related parties	28,069,233	28,069,233	28,069,233	-	-	-
Lease liabilities	187,986,489	421,696,179	20,568,100	17,182,180	43,930,412	340,015,487
Bank overdraft	69,764,812	69,764,812	69,764,812	-	-	-
<b>Total</b>	<b>1,034,973,211</b>	<b>1,318,204,053</b>	<b>752,221,269</b>	<b>99,998,731</b>	<b>126,068,566</b>	<b>340,015,487</b>

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

31 <sup>st</sup> December 2023	Carrying Amount	Contractual Cashflows	0-12 Months	1-2 Years	2-5 Years	More than 5 years
	MVR	MVR	MVR	MVR	MVR	MVR
<b>Financial liabilities (Non-derivative)</b>						
Trade and other payables	181,272,957	181,272,957	181,272,957	-	-	-
Loans and borrowings	278,215,998	206,485,089	69,863,238	22,281,439	24,311,185	90,029,227
Amounts due to related parties	16,117,036	16,117,036	16,117,036	-	-	-
Lease liabilities	190,460,183	442,189,430	25,038,180	67,799,226	119,855,981	229,496,043
Bank overdraft	32,708,114	32,708,114	32,708,114	-	-	-
<b>Total</b>	<b>698,774,288</b>	<b>878,772,626</b>	<b>324,990,525</b>	<b>90,080,665</b>	<b>144,167,167</b>	<b>319,525,269</b>

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



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**30 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)**

**(iii) 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 was:

	<b>Carrying amount</b>	
	<b>2024</b> MVR	<b>2023</b> MVR
<b>Fixed rate instruments</b>		
Other financial assets	24,747,206	91,637,103
Loans and borrowings	(180,456,165)	(205,057,163)
	<b><u>(155,708,959)</u></b>	<b><u>(113,420,060)</u></b>
<b>Variable rate instruments</b>		
Bank overdraft	<b><u>(69,764,812)</u></b>	<b><u>(32,708,114)</u></b>

**(b) Currency risk**

**Exposure to currency risk**

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

	<b>31/12/2024</b>		
	<b>USD</b>	<b>EUR</b>	<b>SGD</b>
Cash and cash equivalents	1,020,246	23,026	-
Trade and other receivables	1,891,053	-	-
Trade and other payables	(432,779)	(21,575)	(9,779)
Loans and borrowings	(475,786)	-	-
<b>Gross exposure</b>	<b><u>2,002,734</u></b>	<b><u>1,451</u></b>	<b><u>(9,779)</u></b>
	<b>31/12/2023</b>		
	<b>USD</b>	<b>EUR</b>	<b>SGD</b>
Cash and cash equivalents	459,823	23,036	-
Trade and other receivables	77,496	-	-
Trade and other payables	(167,819)	(18,503)	(9,779)
Loans and borrowings	(939,946)	-	-
<b>Gross exposure</b>	<b><u>(570,446)</u></b>	<b><u>4,532</u></b>	<b><u>(9,779)</u></b>

The following significant exchange rates were applied during the year:

	<b>Average Rate</b>		<b>Reporting Date Spot Rate</b>	
	<b>2024</b>	<b>2023</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
1 EUR : MVR	15.85	16.90	16.89	16.52
1 SGD : MVR	11.25	11.55	11.56	11.49
1 US\$ : MVR	15.42	15.42	15.42	15.42

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



**MALDIVES PORTS LIMITED**  
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024

**30 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)**

**(iv) Capital management**

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital and level of dividends to ordinary shareholders.

The Group's debt to adjusted capital ratio at the end of the reporting period was as follows:

	<b>2024</b> MVR	<b>2023</b> MVR
Total liabilities	1,161,179,759	837,278,136
Less: Cash and cash equivalents	(23,875,526)	(20,000,793)
Net debt	1,137,304,233	817,277,343
Total equity	1,090,157,691	1,104,506,395
Debt to capital ratio	1.04	0.74

There were no changes in the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements.

**(v) Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It doesn't include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts is a reasonable approximation of fair value.

	<b>Carrying value / Fair value</b>		
	<b>Financial assets</b>	<b>Other financial</b>	<b>Total</b>
	<b>at amortized cost</b>	<b>MVR</b>	<b>MVR</b>
<b>31<sup>st</sup> December 2024</b>			
<b>Financial assets not measured at fair value</b>			
Balance with banks	23,678,344	-	23,678,344
Trade and other receivables	652,111,911	-	652,111,911
Other financial assets	24,747,206	-	24,747,206
	<b><u>700,537,461</u></b>	<b><u>-</u></b>	<b><u>700,537,461</u></b>
<b>Financial liabilities not measured at fair value</b>			
Trade and other payables	-	477,673,586	477,673,586
Bank overdraft	-	69,764,812	69,764,812
Interest bearing loans and borrowings	-	180,456,166	180,456,166
Lease liabilities	-	187,986,489	187,986,489
	<b><u>915,881,053</u></b>	<b><u>915,881,053</u></b>	
<b>Carrying value / Fair value</b>			
<b>Financial assets</b>	<b>Other financial</b>	<b>Total</b>	
<b>at amortized cost</b>	<b>MVR</b>	<b>MVR</b>	
<b>31<sup>st</sup> December 2023</b>			
<b>Financial assets not measured at fair value</b>			
Balance with banks	19,851,144	-	19,851,144
Trade and other receivables	711,623,932	-	711,623,932
Other financial assets	156,021,897	-	156,021,897
	<b><u>887,496,973</u></b>	<b><u>-</u></b>	<b><u>887,496,973</u></b>
<b>Financial liabilities not measured at fair value</b>			
Trade and other payables	-	197,389,993	197,389,993
Bank overdraft	-	32,708,114	32,708,114
Interest bearing loans and borrowings	-	205,057,163	205,057,163
Lease liabilities	-	198,688,016	198,688,016
	<b><u>633,843,286</u></b>	<b><u>633,843,286</u></b>	



**MALDIVES PORTS LIMITED  
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**31 EVENTS AFTER THE REPORTING DATE**

No circumstances have arisen since reporting date which require adjustments to/or disclosure in the financial statements.

**32 DIRECTORS' RESPONSIBILITY**

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

**33 CONTINGENT LIABILITIES**

Certain customers have initiated legal actions against the Parent seeking compensation amounting to MVR 5,546,341/. Based on management best estimate, the Parent concluded such claims will not be materialised and hence no provisions were made against such claims.

There were no contingent liabilities which require disclosure in the separate financial statements other than the stated above as at the reporting date.

**34 CAPITAL COMMITMENTS**

The Company was not exposed to significant capital commitments as at the reporting date.

**MALDIVES PORTS LIMITED  
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**35 RELATED PARTY TRANSACTIONS**

The Government of Maldives holds 100% (2023: 100%) of the voting rights of the Group as at 31 December 2024 and has significant influence over the financial and operating policies of the Group. Accordingly, the Group has considered the Government of Maldives as a related party according to International Accounting Standards 24 Related Party Disclosures.

During the year ended 31<sup>st</sup> December 2024, the Group has carried out transactions with the Government of Maldives and other Government related entities in the ordinary course of business.

<b>(i) Transactions</b>	<b>2024</b>	<b>2023</b>
	<b>MVR</b>	<b>MVR</b>
<b>Services Provided</b>		
<i>Maldives State Shipping Company Private Limited</i>		
Maldives State Shipping Company Private Limited	68,344,361	137,625,176
Hithadhoo Port Limited	7,761,743	27,321,379
Fenaka Corporation Limited	6,301,706	11,084,981
Maldives Transport & Contracting Company PLC	5,441,024	9,958,415
Male' Water & Sewerage Company	2,114,630	1,958,277
Maldives Airports Company Limited	20,716	1,626,802
State Electric Company Limited	1,141,839	1,241,176
Waste Management Corporation Limited	-	225,899
Housing Development Corporation	-	218,385
State Trading Organization PLC	23,551,434	210,056
Island Aviation Services Limited	125,927	176,392
Maldives Industrial Fisheries Company	24,740	83,167
Maldives Gas Private Limited	243,982	219
Fuel Supplies Maldives Pte Limited	2,885,186	-
Commissioner of Election of Election Office.	3,699,227	-
Ministry of Climate Change, Environment and Energy	1,466,777	-
Public Service Media	25,196	-
Ministry of Health	187,091	-
	<b>123,335,577</b>	<b>191,730,324</b>
<b>Purchases</b>		
<i>Housing Development Corporation</i>		
Housing Development Corporation	40,293,094	57,641,418
Fuel Supplies Maldives Pte Limited	43,849,548	44,729,799
State Electric Company Limited	27,656,190	30,129,267
Maldives Transport & Contracting Company PLC	13,362,952	14,049,383
Road Development Company	157,534	-
Maldives Customs Service	11,391,544	10,906,192
Male' Water & Sewerage Company	7,760,446	5,598,990
Waste Management Corporation Limited	9,010,251	3,220,216
Island Aviation Services Limited	2,009,319	1,299,681
State Trading Organization PLC	5,358,830	880,101
Maldives Gas Private Limited	292,941	141,610
Maldives Airports Company Limited	-	40,500
Maldives Industrial Fisheries Company	29,075	-
Fenaka Corporation Limited	65,431	-
Kulhudhufushi Port Limited	6,007,380	-
Maldives State Shipping Company Private Limited	6,995	-
Ministry of Climate Change, Environment and Energy	12,492	-
Public Service Media	1,577,661	-
Ministry of Transport and Civil Aviation	689,321	-
	<b>161,142,650</b>	<b>168,637,156</b>



**MALDIVES PORTS LIMITED  
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024

**35 RELATED PARTY TRANSACTIONS (CONTINUED)**

**(ii) Transactions with subsidiaries**

Maldives Ports Limited Group includes the following companies:

Kulhudhufushi Ports Private Limited - 51% owned by Maldives Ports Limited

Balances and transactions between Maldives Ports Limited and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

**(iii) Loans and borrowings**

	2024		2023	
	Loan MVR	Interest MVR	Loan MVR	Interest MVR
Bank of Maldives PLC	-	1,842,053	38,707,892	6,389,666
	<u><u>-</u></u>	<u><u>1,842,053</u></u>	<u><u>38,707,892</u></u>	<u><u>6,389,666</u></u>

(Refer Note 25 for the movement in the current year)

**(iv) Collectively, but not individually significant transactions**

The Group has transactions with entities directly or indirectly controlled by the Government of Maldives through its authorities, agencies, affiliations and other organizations, collectively referred to as government entities. The Group has transactions with other government related entities including but not limited to rendering of services, purchases, loans and use of public utilities.

**(v) Transactions with the key management personnel**

The Board of Directors and Managing Director of the Group are the members of key management personnel. The Company has paid MVR 850,989/- as emoluments to key management personnel during the year ended 31st December 2024 (2023: MVR 801,600/-).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024

**36 RETROSPECTIVE RESTATEMENT AND RECLASSIFICATION**

(a) During the year the Parent corrected an error related to accounting for lease term of certain leases entered by the Company and incremental borrowing rate of those leases. Consequently right of use assets, lease liability, depreciation and amortisation, finance cost and retained earnings have been corrected by restating the comparative amounts.

(b) During the year the Parent corrected accounting for staff housing benefit by recognising the government grant income to reflect Ministry of Finance & treasury decision to absorb the full loss of housing benefit provided to the staff of the Parent, consequently, Staff loan, deferred staff benefit, retained earnings, dividends payable, revenue, other income, other operating expenses and staff cost have been corrected by restating the comparative amounts.

(c) During the year the Parent reclassified the revenue, other income, other operating expenses, staff cost and the non current portion of other financial assets which was shown as current assets in the previous year.

Statement of financial position -As at 01 January 2023	As previously stated	Restatement / Reclassifications	As restated
	MVR	MVR	MVR
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	685,560,217	-	685,560,217
Investment property	29,356,576	(6,045,956)	23,310,620
Intangible assets	6,625,490	-	6,625,490
Right of use assets	189,405,554	(23,542,974)	165,862,580
Deferred tax assets	16,736,376	-	16,736,376
Trade and other receivables	8,842,535	-	8,842,535
<b>Total Non-Current Assets</b>	<b>936,526,748</b>		<b>906,937,818</b>
<b>Current assets</b>			
Inventories	68,361,969	-	68,361,969
Contract assets	962,445	-	962,445
Investment in hiyaa project	595,577,717	-	595,577,717
Trade and other receivables	112,440,736	-	112,440,736
Other financial assets	149,958,047	-	149,958,047
Cash and bank balance	86,319,105	-	86,319,105
<b>Total Current Assets</b>	<b>1,013,620,019</b>		<b>1,013,620,019</b>
<b>TOTAL ASSETS</b>	<b>1,950,146,767</b>		<b>1,920,557,837</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	475,000,000	-	475,000,000
Other component equity	38,971,783	-	38,971,783
Retained earnings	558,277,315	(6,869,952)	551,407,363
<b>Total Equity</b>	<b>1,072,249,098</b>		<b>1,065,379,146</b>
<b>Non-controlling interest</b>			
	54,763,258	-	54,763,258
<b>Total equity</b>	<b>1,127,012,356</b>		<b>1,120,142,404</b>
<b>Non-Current Liabilities</b>			
Interest bearing loans and borrowings	21,196,940	-	21,196,940
Lease liabilities	189,358,118	(15,077,076)	174,281,042
Defined benefit obligation	12,458,138	-	12,458,138
<b>Total Non-Current Liabilities</b>	<b>223,013,196</b>		<b>207,936,120</b>
<b>Current Liabilities</b>			
Defined benefit obligation	4,191,071	-	4,191,071
Interest bearing loans and borrowings	58,951,388	-	58,951,388
Lease liabilities	17,557,731	(7,641,901)	9,915,830
Trade and other payables	187,229,150	-	187,229,150
Dividend payable	291,277,299	-	291,277,299
Contract liabilities	3,919,852	-	3,919,852
Income tax payable	11,484,188	-	11,484,188
Bank overdraft	25,510,536	-	25,510,536
<b>Total Current Liabilities</b>	<b>600,121,215</b>		<b>592,479,314</b>
<b>TOTAL LIABILITIES</b>	<b>823,134,411</b>		<b>800,415,434</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,950,146,767</b>		<b>1,920,557,837</b>



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FOR THE YEAR ENDED 31ST DECEMBER 2024

**36 RETROSPECTIVE RESTATEMENT AND RECLASSIFICATION (CONTINUED)**

Statement of financial position -As at 31 December 2023	As previously stated MVR	Restatement / Reclassifications MVR	As restated MVR
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	711,111,427	-	711,111,427
Investment property	28,068,417	(5,867,382)	22,201,035
Intangible assets	8,291,855	-	8,291,855
Right of use assets	179,178,727	(22,358,223)	156,820,504
Deferred tax assets	13,183,820	-	13,183,820
Other financial assets	-	62,970,850	62,970,850
Trade and other receivables	494,417,696	-	494,417,696
<b>Total Non-Current Assets</b>	<b>1,434,251,942</b>		<b>1,468,997,187</b>
<b>Current assets</b>			
Inventories	73,108,521	-	73,108,521
Investment in hiyaa project	70,834,691	-	70,834,691
Trade and other receivables	293,769,921	(76,563,685)	217,206,236
Other financial assets	154,607,953	(62,970,850)	91,637,103
Cash and bank balance	20,000,793	-	20,000,793
<b>Total Current Assets</b>	<b>612,321,879</b>		<b>472,787,344</b>
<b>TOTAL ASSETS</b>	<b>2,046,573,821</b>		<b>1,941,784,531</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	475,000,000	-	475,000,000
Other componenet equity	38,971,783	-	38,971,783
Retained earnings	545,359,777	(7,049,942)	538,309,835
<b>Total equity attributable to equity holders of the parent</b>	<b>1,059,331,560</b>		<b>1,052,281,618</b>
<b>Non-controlling interest</b>	<b>52,224,777</b>		<b>52,224,777</b>
<b>Total equity</b>	<b>1,111,556,337</b>		<b>1,104,506,395</b>
<b>Non-Current Liabilities</b>			
Interest bearing loans and borrowings	144,353,225	-	144,353,225
Lease liabilities	183,735,265	(11,034,606)	172,700,659
Defined benefit obligation	9,786,049	-	9,786,049
<b>Total Non-Current Liabilities</b>	<b>337,874,539</b>		<b>326,839,933</b>
<b>Current Liabilities</b>			
Defined benefit obligation	4,656,627	-	4,656,627
Interest bearing loans and borrowings	60,703,938	-	60,703,938
Lease liabilities	14,952,751	(8,900,404)	6,052,347
Trade and other payables	197,389,993	-	197,389,994
Dividend payable	274,627,631	(77,804,339)	196,823,292
Contract liabilities	3,767,900	-	3,767,900
Income tax payable	8,335,991	-	8,335,991
Bank overdraft	32,708,114	-	32,708,114
<b>Total Current Liabilities</b>	<b>597,142,945</b>		<b>510,438,203</b>
<b>TOTAL LIABILITIES</b>	<b>935,017,484</b>		<b>837,278,136</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,046,573,821</b>		<b>1,941,784,531</b>



**MALDIVES PORTS LIMITED**  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2024

**36 RETROSPECTIVE RESTATEMENT AND RECLASSIFICATION (CONTINUED)**

Statement of Comprehensive income -for the year ended 31 December 2023	As previously stated MVR	Restatement / Reclassifications MVR	As restated / As reclassified MVR
Revenue	1,379,307,679	(586,071,937)	793,235,742
Other income	136,601,990	70,367,472	206,969,462
Other operating expenses	(838,305,847)	649,115,244	(189,190,603)
Staff cost	(512,942,676)	(133,023,973)	(645,966,649)
Depreciation and amortization	(90,785,697)	5,522,673	(85,263,024)
Reversal for impairment of trade receivables	928,862		928,862
<b>Results from operating activities</b>	<b>74,804,311</b>		<b>80,713,790</b>
Finance costs	15,836,466	-	15,836,466
Finance costs	(26,216,233)	(6,089,469)	(32,305,702)
<b>Net finance income/(costs)</b>	<b>(10,379,767)</b>		<b>(16,469,236)</b>
<b>Profit before tax</b>	<b>64,424,544</b>		<b>64,244,554</b>





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# Annual Report 2024

## Maldives Ports Limited

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