

**MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE
PUBLIC LIMITED**

Financial Statements - 31 December 2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Maldives Industrial Development Free Zone Public Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Maldives Industrial Development Free Zone Public Limited (the Company) which comprise the statement of financial position as at 31 December 2024, and the statement of pre-operating expenses, the statement of changes in equity and the statement of cash flows for the period 7 January 2024 to 31 December 2024 and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the period 7 January 2024 to 31 December 2024 in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board.

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 Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole 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 on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

For and on behalf of Deloitte Partners



Licensed Partner: Mohamed Siraj Muneer

License No: ICAM-IL-DZK

17 June 2025

MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE PUBLIC LIMITED

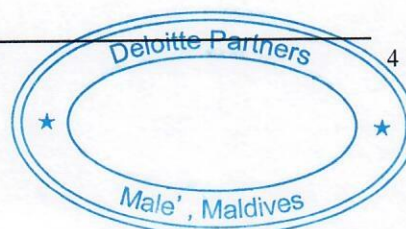
31st December 2024

Statement of pre-operating expenses

(All amounts in Maldivian Rufiyaa unless otherwise stated)

	Note	Period from 7 January to 31 December 2024
Pre-operating expenses	4	<u>(1,001,594)</u>
Net loss attributable to the equity holder of the Company during the year		<u>(1,001,594)</u>
Loss per share for loss attributable to the equity holders of the Company during the year	5	<u>(0.06)</u>

The notes on pages 8 to 14 form an integral part of these financial statements.




MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE PUBLIC LIMITED**31st December 2024****Statement of financial position**


(All amounts in Maldivian Rufiyaa unless otherwise stated)

	Note	As at 31 December 2024
ASSETS		
Non-current assets		
Capital work-in-progress	6	246,720,000
		<u>246,720,000</u>
Current assets		
Cash and cash equivalents	7	155,359
		<u>155,359</u>
Total assets		<u>246,875,359</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	8	247,112,500
Accumulated losses		<u>(1,001,594)</u>
Total equity		<u>246,110,906</u>
Liabilities		
Current liabilities		
Trade and other payables	9	<u>764,453</u>
Total liabilities		<u>764,453</u>
Total equity and liabilities		<u>246,875,359</u>

These financial statements were approved by the Board of Directors on 15 June 2025

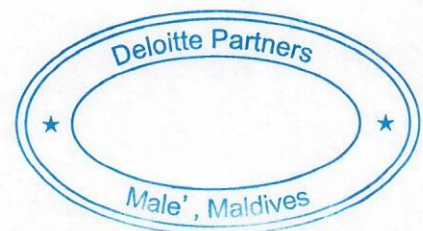


 Shimad Ibrahim
 Managing Director



 Ibrahim Shareef Mohamed
 Director

The notes on pages 8 to 14 form an integral part of these financial statements.

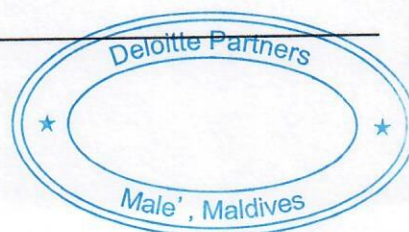


MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE PUBLIC LIMITED**31st December 2024****Statement of changes in equity**

(All amounts in Maldivian Rufiyaa unless otherwise stated)

	Note	Share capital	Accumulated losses	Total
Issue of shares	8	247,112,500	-	247,112,500
Loss for the period		-	(1,001,594)	(1,001,594)
Balance at 31 December 2024		247,112,500	(1,001,594)	246,110,906

The notes on pages 8 to 14 form an integral part of these financial statements.

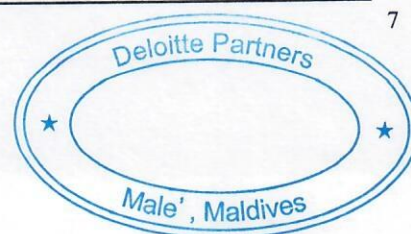


MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE PUBLIC LIMITED**31st December 2024****Statement of cash flows**

(All amounts in Maldivian Rufiyaa unless otherwise stated)

		Period from 7 January to 31 December 2024
	Note	
Cash flows from pre-operating activities		
Loss for the period		(1,001,594)
Changes in working capital:		
- Trade and other payables	9	<u>764,453</u>
Net cash used in pre-operating activities		<u>(237,141)</u>
Cash flows from investing activities		
Additions to capital work-in-progress	6	<u>(246,720,000)</u>
Net cash used in investing activities		<u>(246,720,000)</u>
Cash flows from financing activities		
Issue of shares during the period	8	<u>247,112,500</u>
Net cash generated from financing activities		<u>247,112,500</u>
Net increase in cash and cash equivalents		<u>155,359</u>
Cash and cash equivalents at end of the period	7	<u><u>155,359</u></u>

The notes on pages 8 to 14 form an integral part of these financial statements.



MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE PUBLIC LIMITED

31st December 2024

Notes to the financial statements

(All amounts in Maldivian Rufiyaa unless otherwise stated)

1 General information

These financial statements relate to Maldives Industrial Development Free Zone Public Limited (the 'Company'), a limited liability company registered in Maldives.

The principal activity of the Company is to engage in trade facilitation through the establishment and development of free trade zones, with a focus on supporting large-scale importation and re-export operations to enhance international trade and optimize profitability. The address of its registered office is Kanbaa Aisa Rani Hingun, Maafannu, Malé 20345, Republic of Maldives.

The Company is registered on 7 Januray 2024 in the Republic of Maldives with the Registrar of companies under the Companies Act 07/2023.

2 Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis of preparation

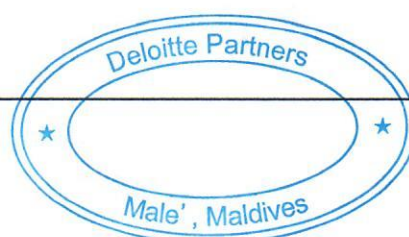
The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board. The financial statements have been prepared on a historical cost basis.

The preparation of financial statement in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. There are no areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant.

2.2 Going concern

The Company has incurred a net loss of MVR 1,001,594 during the period from 7 January 2024 to 31 December 2024 and has accumulated losses of MVR 1,001,594 at the reporting date. At that date, the Company's current liabilities exceeded its current assets by MVR 609,094. The financial statements have nevertheless been prepared on the basis of the Company being a going concern on the assumption that the shareholders will contribute the unpaid share capital to fund the working capital requirements for a period of that at least one year from the date of these financial statements.

If the Company is not a going concern, provision would have to be made to reduce the value of assets to their estimated recoverable amounts, and for any further liabilities that may arise in a winding up. In addition, fixed assets and long term liabilities will have to be reclassified as current assets and current liabilities.



MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE PUBLIC LIMITED

31st December 2024

Notes to the financial statements (continued)

(All amounts in Maldivian Rufiyaa unless otherwise stated)

2.3 Changes in accounting policies

Adoption of new or revised standards and interpretations

(a) New and amended accounting standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting periods commencing 7 January 2024. Most of the amendments listed below did not have any significant impact on amounts recognised in prior periods and are not expected to significantly affect current or future period. The Company did not have to apply its accounting policies as a result of adopting these standards:

- i. Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures titled Supplier Finance.
- ii. Arrangements Amendments to IAS 1 Classification of Liabilities as Current or Non-current. Amendments to
- iii. Amendments to IAS 1 Presentation of Financial Statements— Non-current Liabilities with Covenants.
- iv. Amendments to IFRS 16 Leases—Lease Liability in a Sale and Leaseback.

(b) New and amended standards and interpretations issued but not yet effective.

A number of new standards for annual periods beginning after 01 January 2025 and earlier application is permitted; however, the Company has not early adopted the amended standards in preparing these financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Company's consolidated financial statements.

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability.
- IFRS 18 Presentation and Disclosures in Financial Statements.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

2.4 Financial assets (Non-derivative)

(i) Classification

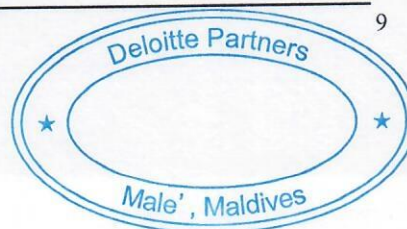
The Company classifies its financial assets in the following measurement category:

- those to be measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed in the profit or loss.



MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE PUBLIC LIMITED

31st December 2024

Notes to the financial statements (continued)

(All amounts in Maldivian Rufiyaa unless otherwise stated)

2.4 Financial assets (Non-derivative) (continued)

(ii) Measurement (continued)

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

(iii) Impairment

The company has no trade receivables and other financial assets as at the year-end and therefore no provision is required to be made for expected credit loss under IFRS 9.

2.5 Foreign currency translation

(a) Functional and presentation currency

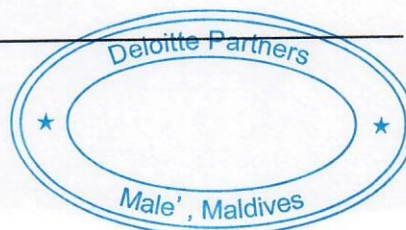
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in MVR, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'Other (losses)/gains – net'.

2.6 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest of levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.



MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE PUBLIC LIMITED

31st December 2024

Notes to the financial statements (continued)

(All amounts in Maldivian Rufiyaa unless otherwise stated)

2.7 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes deposits held at call with bank and other short-term highly liquid investments with original maturities of three months or less.

2.8 Trade payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.9 Income tax

Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Income tax is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax computation with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The provisions for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Income Tax Act.

2.10 Comparatives

This set of financial statements are the first set to be prepared since the date of incorporation of the company and therefore, there are no comparatives.

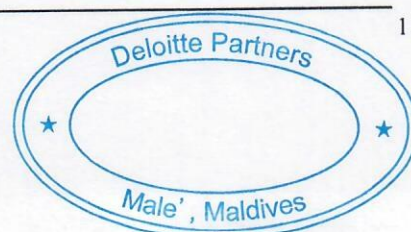
3 Financial risk management

3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk) and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Board of Directors on specific areas such as foreign exchange risk and the liquidity risk.

The main risks arising from the Company's financial instruments are foreign exchange risk, and liquidity risk.



MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE PUBLIC LIMITED**31st December 2024****Notes to the financial statements (continued)**

(All amounts in Maldivian Rufiyaa unless otherwise stated)

3 Financial risk management (continued)**3.1 Financial risk factors (continued)***(a) Market risk - Foreign exchange risk*

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. Management has set up a policy to require the Company to manage their foreign exchange risk against their functional currency.

b) Liquidity risk

The Company actively monitors and manages its free cash position along with available funding to ensure that it complies with its obligations to creditors whilst meeting its working capital requirements. The Company aims to maintain liquidity by obtaining funds from the shareholders.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 December 2024	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years
Trade and other payables	764,453	-	-	-	-

3.2 Capital risk management

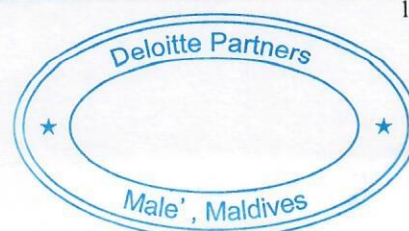
The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total trade and other payables less cash and cash equivalents. Total capital is calculated as "equity", as shown in the statement of financial position, plus net debt.

The gearing ratios at 31 December 2024 as follows:

	2024
Total liabilities (Note 16)	764,453
Less: cash and cash equivalents (Note 8)	(155,359)
Net debt	609,094
Equity	246,110,906
Total equity	246,110,906
Total capital	246,720,000
Gearing ratio	0.25%



MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE PUBLIC LIMITED

31st December 2024

Notes to financial statements (continued)

(All amounts in Maldivian Rufiyaa unless otherwise stated)

4 Pre-operating expenses

	Period from 7 January to 31 December 2024
Salaries and wages	52,645
Permit, license and tax	2,000
Professional fee	869,849
Audit fee	77,100
	<u>1,001,594</u>
Classified as:	
Pre-operating expenses	<u>1,001,594</u>

5 Losses per share

Losses per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Period from 7 January to 31 December 2024
Loss attributable to equity holders of the Company	(1,001,594)
Weighted average number of ordinary shares in issue	15,420,000
Basic losses per share	<u>(0.06)</u>

6 Capital work-in-progress

The Company is currently developing Rasmale' project and the amount represents the reclamation, construction related expenses and advances paid to the contractor.

	2024
Opening balance	-
Additions during the period	246,720,000
Closing balance	<u>246,720,000</u>

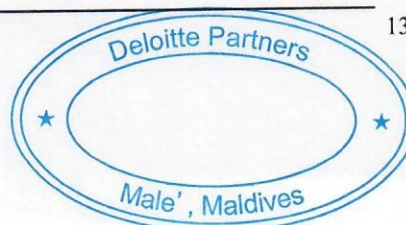
7 Cash and cash equivalents

	2024
Cash at bank	155,359
	<u>155,359</u>

8 Share capital

	Number of shares	Ordinary shares
Issued shares during the period	2,471,125	247,112,500
At 31st December 2024	<u>2,471,125</u>	<u>247,112,500</u>

The authorized capital of the company is, 100 MVR per share of 15,420,000 shares of which 9,252,000 shares have been issued. Of the issued shares, 2,471,125 shares have been fully paid up.



MALDIVES INDUSTRIAL DEVELOPMENT FREE ZONE PUBLIC LIMITED**31st December 2024****Notes to financial statements (continued)**

(All amounts in Maldivian Rufiyaa unless otherwise stated)

9 Trade and other payables

	2024
Professional fee payable to related party (Note 12)	687,333
Excess share application money received (Note 12)	20
Accrued audit fee	77,100
	<u>764,453</u>

10 Contingencies*Contingent liabilities*

There were no material contingent liabilities recognised at the reporting date.

Contingent assets

There were no material contingent assets recognised at the reporting date.

11 Commitments*Capital commitments*

The Company has entered into an agreement with Mohan Mutha Exports Private Limited on 6 June 2024 for dredging, reclamation and shore protection for Rasmale site. The unexecuted and unbilled amount outstanding under this contract as of the reporting date is USD 224,234,382.

Financial commitments

There were no financial commitments as at the reporting date.

12 Related party disclosures

The following transactions were carried out with related parties:

Name of the Company	Nature of Transaction	2024
State Trading Organization PLC (Shareholder with significant influence)	Professional fee paid on behalf of the company	685,333
	Annual fee paid on behalf of the company	2,000
Housing Development Corporation (Shareholder with significant influence)	Excess share application money received	20

Payables to related parties (Note 9)

	2024
State Trading Organization PLC	687,333
Housing Development Corporation	20
	<u>687,353</u>

13 Events after reporting date

Subsequent to the reporting date, the company has made continued progress on the dredging, reclamation, and shore protection project at the Rasmale site. As at 29 May 2025, the management estimates the reclamation completion to be 21.99%. The project is ongoing, and the Company is actively managing its execution to meet the planned schedule.

There were no other material events occurred after the reporting period that requires adjustments to or disclosure in the financial statements other than the item disclosed above.

