MFMC
MALDIVES FUND
MANAGEMENT CORPORATION

QUARTERLY REPORT 2026

Quarter 1

Contents

1. Introduction

1.1 Summary of the Quarter

During the first quarter of 2026, MFMC remained committed in advancing its mandate of driving investment and sustainable development through active engagement with prospective investors and evaluation of proposals for major lagoon-based developments, ensuring alignment with long-term value creation and sustainability objectives.

Furthermore, in line with the Government's decision, MFMC Group completed the transfer of the full ownership of Agro National to the Government, resulting in Agro National operating as a separate 100% state-owned enterprise (SOE). Additionally, MFMC continues to make efforts to secure the remaining financing for OCM's submarine cable project.

During the quarter, MFMC recorded a loss of MVR 5,584,685, reflecting an 8% decrease compared to the previous quarter. The Company remains focused on cost optimization initiatives in response to prevailing macroeconomic conditions. MFMC has also consistently met its interest obligations on borrowings on time, maintaining a strong repayment record and remaining in good standing without any defaults. Board-level engagement remained active throughout the quarter, ensuring continued alignment between strategic direction and execution.

1.2 Business Highlights

- **Investment & Sustainable Development:** MFMC continues to focus on mobilizing investment for key Government projects, with ongoing engagement with prospective investors and evaluation of proposals for major lagoon-based developments, including Gaafaru and Dhiyaneru, ensuring alignment with sustainable and high-return objectives.

2. Strategic Overview

2.1 Strategic Initiatives and Achievements During the Quarter

- The company remains committed to ensuring that all proposals under current pipeline projects are assessed for compliance and aligned through negotiations to support effective implementation.

2.2 Strategic Objectives

Operate as a financially sustainable organization: MFMC will set strategies for enhancing operational capacity and achieving sustainability, with measurable actions set for operational benchmarks, profitability targets, and a long-term approach.

Contribute towards increasing national wealth: MFMC will seek to mobilize overseas capital and harness private sector capital for commercially viable ventures. Facilitate development of key infrastructure: MFMC will provide leadership in structuring infrastructure development through structuring project finance solutions, working across all stages of project life cycles to ensure a pipeline of scalable, affordable, and value-for-money projects.

Promote development of local businesses and job creation: MFMC will look to support local businesses to grow in scale and scope, with targets of helping local businesses grow beyond borders, and to become bankable and commercially viable companies with long-term growth potential.

Institute effective governance and risk management: Developing capacity and capability to deliver effective financing solutions remains a key strategic objective for the Corporation, with the task complemented by efforts to develop a concise risk management framework at the Corporation level as well as for individual funds.

Embrace social stewardship within core business values: The Corporation considers social stewardship as a cross-cutting theme across all business decisions, and therefore will prioritize

ESG (Environmental, Social, and Corporate Governance) as well as ethical factors as a pillar of the investment decision-making process.

3. Financial Highlights

3.1 Summary of Financial Statements

Revenue
(MVR 0.00)

Net loss
(MVR 5,584,685)

Assets
MVR 1,143,454,502

Equity
MVR 995,523,432

Liabilities
MVR 141,319,237

3.2 Comparison to Previous Periods

Details	Amount (MVR)	Variance from the previous quarter	Variance from the same quarter in previous year
Revenue	0.00	0%	0%
Operating Loss	(4,146,149)	-10%	-30%
Earnings per Share	(0.09)	-8%	-30%
Net Loss	(5,584,685)	-8%	-22%

3.3 Key Financial Ratios

	2026 Q1	2025 Q4
Gross Profit Margin	N/A	N/A
Net Profit Margin	N/A	N/A
Return on Capital Employed	-0.41%	-0.46%
Return on Equity	-0.56%	-0.61%
Current Ratio	4.93 : 1	5 : 1
Quick Ratio	0.45 : 1	0.46 : 1
Debt to Total Assets	0.10	0.10
Debt to Equity	0.11	0.11
Interest Coverage	-2.88	-3.11
Loss Per Share	(0.09)	(0.10)

4. Operational Highlights

4.1 Giraavaru Residential City Development

- Maldives Airports Company Limited (MACL) is presently carrying out the reclamation works for the project under the Novation Agreement signed on 6 October 2025.

4.2 Dhiyaneru Lagoon 2 Marina & Harbor Development

- The transfer of the head lease to MFMC is currently pending.
- Discussions are currently underway with prospective investors to assess opportunities and move toward finalizing development plans for the lagoon.

4.3 Hankede Integrated Tourism Development

- The lease has been transferred to the Ministry of Tourism and Environment for the development of a new tourism initiative.
- MFMC is in the process of reviewing, finalizing, and formally closing out the existing agreements and arrangements that were previously established for the project, ensuring all obligations are settled, and documentation is completed.

4.4 Gaafaru Integrated Tourism Development

- Meetings are being organized with potential investors to explore opportunities and advance plans for the lagoon's development.
- A few proposals have been received, and following discussions with the respective parties, their submissions and portfolios are currently under review to assess alignment with the project's objectives.

4.5 Investment, Funds and Finance

- Roll-over of the commercial paper note issued to a licensed financial institution by MMA for financing Ocean Connect Maldives (OCM)'s subsea cable project for an additional 3 months.
- The Government has finalized the decision to transfer MFMC's subsidiary, Agro National Corporation (AGRO), as a separate state-owned enterprise, with 100% of its shares to be transferred to the Government. All the related work has been completed, and the decision has been made effective 31 January 2026.
- External audits for the financial year 2023 for MFMC and subsidiaries are ongoing and are expected to be concluded within Quarter 2 of 2026 upon confirmation of Agro National's books. MFMC is also preparing for the external audit of 2024 and will initiate audit work during Q2 2026.
- MFMC is actively in discussion with the Ministry of Finance to facilitate the arrangement of outstanding payments to Reliance Jio for OCM's submarine cable project.
- MFMC is also concurrently working towards securing finance for the remaining components of OCM's submarine cable project.

4.6 Other Highlights

- None.

4.7 Current Business Position

MFMC is currently working on development and implementation of transforming key strategic assets assigned by the Government into financially viable projects that are designed to stimulate economic growth within the nation. The company has initiated the launch of 3 key investment funds across important sectors of the country, namely tourism, infrastructure and renewable energy, and investments to date by the company are expected to be structured within these 3 broad funds over the medium-term.

4.8 Business Concepts

The company's business model is centered on the following, where a phased approach leads to the creation of value within areas of work.

- Understand Financing Requirement
- Fundraising Efforts
- Development and implementation of state-led strategic initiatives

How well business objectives and goals are achieved

- The company currently prioritizes raising investment for strategic projects and assets of the Government of Maldives.
- MFMC takes priority in investing in sustainable projects which are strategically targeted to increase the utilization of sustainable resources and maximize returns for investors.
- MFMC aims to facilitate development of key infrastructural assets across different regions in the Maldives. These massive projects will reduce the high level of congestion in the capital and enhance the standard of living of society.
- All the corporate functions of MFMC are designed with social stewardship in mind to build capable employees responsible for the sustainable growth of the corporation and enabling the achievement of the overall vision of the company.
- Major developments have been achieved in mobilizing the strategic projects handed over by the Government and securing indicative terms for meeting financing requirements with potential financiers.

5. Board Activities

Directors Name	Designation	Board Meeting	Audit Committee	ANR Committee
(Vacant)	Chairperson	n/a	n/a	n/a
Ahmed Nazim	Managing Director/ED	1/1	n/a	n/a
Aishath Shehenaz	NED	1/1	n/a	n/a
Mohamed Fathih	NED	1/1	n/a	n/a

Meeting	Number of Meetings
Board meeting	1
Audit Committee	0
ANR Committee	0

Company Secretary

Aishath Mohamed (Legal Counsel and Company Secretary), Maldives Fund Management Corporation.

Key Board Decisions

- Upon the instructions by the Government, the MFMC board approved the transfer of its shareholding (including shares held via MFMC Capital) in its subsidiary, Agro National, to the Government. The resolution was passed on 27 January 2026. Currently, Agro National is wholly owned by the Government.
- Simultaneously, the Board made the decision to transfer 0.01% of shares held by Agro National in MFMC Capital to be transferred to MFMC. Currently, MFMC Capital Pvt Ltd is wholly owned by MFMC.

Appointed Auditors of the Company

Ernst & Young, Maldives

6. Corporate Social Responsibility (CSR) Highlights of 2026, Q1

SN	Activities Carried Out	Amount Spent (MVR)	Target at
1			
2			
	TOTAL Quarterly Spent on CSR Activities	**MVR 0**	

Note: There were no CSR activities during 2026, Q1.

7. Ongoing Project Details

SN	Project Name	Project Commencement Date	Project Completion Date	Contracted Value	Disbursement Value	% Completed
1	Development of K. Gaafaru Lagoon	n/a (master plan completed, seeking investment & commercial opportunities – the project is valued at USD 1.2 billion)				
2	Dhiyaneru Lagoon 2 – Marina and Habor Development	n/a (conceptual plan completed, seeking investment & commercial opportunities – the project is valued at USD 35 million)				

8. Sovereign Guarantee & Other Loans Taken Status

8.1 Sovereign Guarantees

SN	Currency	Purpose	Agreement Date	Maturity Date	Loan Amount	No of Payments required in Contract	No of Payments Made	Outstanding Payment
1	MVR	OCM submarine cable project financing	20th February 2024	20/08/2029 *(to change based on initial disbursement date)*	115.65 million	22 Quarterly installments	-	0.00
2	USD	OCM submarine cable project financing	20th February 2024	20/08/2029 *(to change based on initial disbursement date)*	7.5 million	22 Quarterly installments	-	0.00
								0.00

Note: The Sovereign Guarantee has been issued for loan agreements of OCM submarine cable project; however, the loan facility was suspended towards the end of 2024 before execution of disbursement.

8.2 Shareholder (Government) Loans

SN	Currency	Purpose	Agreement Date	Maturity Date	Loan Amount	No of Payments required in Contract	No of Payments Made	Outstanding Payment
1					0.00			0.00
								0.00

Note: There are no loans taken by the Company directly from the Government.

8.3 Other Loans

No.	Total Loan Amount (MVR)	Outstanding (MVR)
1	100,000,000.00	100,000,000.00
2	2,000,000.00	2,000,000.00

Note 1: This is a Commercial Paper Note (short-term debt instrument) issued by the Company to a MMA approved financial institution which is set to mature on 23rd June 2026.

Note 2: This is a short-term loan facility granted by a SOE for budget support of the company in 2024.

9. Government Injected Funds and Capital Contributions during the year 2026

MODE OF FUNDING	Q4 (MVR)	Q3 (MVR)	Q2 (MVR)	Q1 (MVR)
Capital Contribution	0.00	0.00	0.00	9,191,000.00
Subsidy	0.00	0.00	0.00	0.00
GRANTS	0.00	0.00	0.00	0.00
Govt shareholding loan	0.00	0.00	0.00	0.00
Total	**0.00**	**0.00**	**0.00**	**9,191,000.00**

10. Staff Highlights of Year 2026

Senior Management and Higher

		Q4	Q3	Q2	Q1
Male	[NOS]				6
Female	[NOS]				1
Total	**[NOS]**				**7**
Total Salary and Other Allowances	**[MVR]**				**785,980.03**

Management

		Q4	Q3	Q2	Q1
Male	[NOS]				4
Female	[NOS]				4
Total	**[NOS]**				**8**
Total Salary and Other Allowances	**[MVR]**				**929,169.18**

Other Staff

		Q4	Q3	Q2	Q1
Male	[NOS]				10
Female	[NOS]				10
Total	**[NOS]**				**20**
Total Salary and Other Allowances	**[MVR]**				**1,438,280.89**

11. Corporate Governance and Compliance

At MFMC, we believe high standards of corporate governance, financial reporting, and risk management are important to ensure transparency, accountability, and sustainable growth. Since its commencement in 2019, MFMC has operated in compliance with the Code of Corporate Governance for State-Owned Enterprises (SOEs) by the Privatization and Corporatization Board (PCB) of the Ministry of Finance. We further ensure that our corporate governance compliance adheres to principles set by the Maldives Code of Corporate Governance Act of the Capital Market Development Authority (CMDA).

Currently, our Board of Directors comprises three members: one executive director and two non-executive directors. While a chairperson has not yet been formally appointed, the board remains committed to maintaining the highest standards of governance and impartiality. They continue to provide the management with constructive feedback and effective guidance, ensuring the company's sustained growth and accountability.

To further ensure high standards of corporate governance, the company has two sub-committees of the board- the Appointment Nomination and Remuneration Committee (ANR) and the Audit Committee (AC). The company has an established internal audit function which provides guidance on areas of accountability, risk management and operational efficiency. The internal audit department is overseen by the Audit Committee and reports directly to the Board of Directors.

The company has further established standard of policies and procedures (SOPs) for internal operations. This establishes clear guidelines for organizational conduct and defines distinct responsibilities across various levels. The company and its staff are committed to adhering to ethical business practices and sustainable business operations.

12. Acknowledgement & Transparency

We acknowledge and appreciate the continued trust and support of our stakeholders, including our shareholder, government partners, employees, regulators, suppliers and the wider community.

As a state-owned enterprise, we remain committed to transparency, accountability, and the responsible stewardship of public resources. We remain dedicated to serving with integrity, professionalism, and a focus on long-term public value.

13. Financial Report

As attached.

QUARTERLY FINANCIAL REPORT

Q1, March 2026

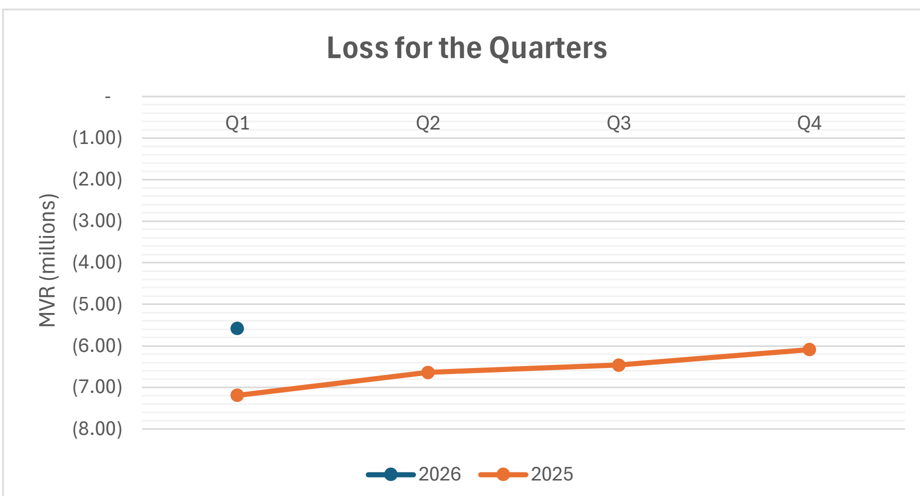
Maldives Fund Management Corporation

QUARTERLY FINANCIAL REPORT - Q1

For the Quarter ended 31 March 2026

Financial Highlights

Details	Amount (MVR)	Change %
Revenue	-	0%
Operating Loss	(4,146,149)	-10%
Loss Per Share	(0.09)	-10%
Net Loss	(5,584,685)	-8%



Statement of Profit or Loss and Other Comprehensive Income

For the Quarter ended 31 March 2026

	Note	Q1 2026 Company MVR	Q4 2025 Company MVR	Change %
Revenue	1	-	-	0%
Cost of Sales	2	-	-	0%
Gross Profit / (Loss)		**-**	**-**	**0%**
Other Income	3	196,676	199,600	-1%
				0%
Administrative expenses	4	(4,342,551)	(4,737,740)	-8.3%
Selling and marketing expenses	5	(275)	(65,818)	-100%
Operating loss		**(4,146,149)**	**(4,603,957)**	**-10%**
Net Finance Costs	6	(1,438,536)	(1,482,709)	-3%
Loss before tax		**(5,584,685)**	**(6,086,666)**	**-8%**
Income tax expense		-	-	0%
Loss for the period		**(5,584,685)**	**(6,086,666)**	**-8%**
Other comprehensive income		-	-	0%
Total comprehensive loss for the period		**(5,584,685)**	**(6,086,666)**	**-8%**
Loss per share (MVR)		(0.09)	(0.10)	-10%

Figures in brackets indicate deductions.

Statement of Financial Position

For the Quarter ended 31 March 2026

	Note	Q1 2026 Company MVR	Q4 2025 Company MVR
ASSETS			
Non-current assets			
Property, plant and equipment	7	19,767,052	19,965,784
Intangible assets	8	3,976,110	3,999,001
Right of use assets	9	8,513,428	9,238,861
Investment in subsidiaries	10	414,302,200	408,280,200
Other non-current assets	11	369,712	361,380
Total non-current assets		**446,928,502**	**441,845,226**
Current assets			
Trade and other receivables	12	43,449,979	41,728,831
Other current assets	13	632,463,238	632,531,919
Cash and cash equivalents	14	20,612,783	22,123,409
Total current assets		**696,525,999**	**696,384,158**
TOTAL ASSETS		**1,143,454,502**	**1,138,229,384**
EQUITY AND LIABILITIES			
Equity			
Share capital		591,373,206	582,184,650
Share premium		532,610,104	532,626,460
Accumulated losses		(128,459,878)	(122,875,193)
Total equity		**995,523,432**	**991,935,917**
Non-current liabilities			
Lease liabilities	15	6,611,833	7,025,603
Total non-current liabilities		**6,611,833**	**7,025,603**
Current liabilities			
Lease liabilities	15	2,136,588	2,411,722
Financial liabilities at amortised cost	16	100,863,480	100,877,010
Trade and other payables	17	33,305,985	30,952,800
Deferred grant	18	5,013,183	5,026,332
Total current liabilities		**141,319,237**	**139,267,864**
Total Equity and Liabilities		**1,143,454,502**	**1,138,229,384**

Figures in brackets indicate deductions.

MALDIVES FUND MANAGEMENT CORPORATION
QUARTERLY FINANCIAL REPORT - Q1

Statement of Cash Flow
For the Quarter ended 31 March 2026

	Q1 2026 Company MVR	Q4 2025 Company MVR
Operating activities		
Loss before tax from operations	(5,584,685)	(6,086,666)
Adjustments for:		
Depreciation on property, plant and equipment	198,732	209,847
Amortisation of intangible assets	22,891	22,891
Depreciation of right-of-use assets	725,433	725,433
Interest income on security deposit	(8,333)	(8,128)
Discount on financial liabilities	1,217,700	1,244,760
Interest expenses on lease liabilities	229,168	246,077
Operating profit/loss before working capital changes	**(3,199,093)**	**(3,645,786)**
Working capital adjustments:		
- Increase in other assets	68,681	68,681
- Increase in trade and other receivables	(1,721,148)	(1,778,946)
- Increase in trade and other payables	1,078,669	131,229
- Decrease in deferred grant	(13,149)	(13,441)
Cash flows used in operating activities	**(3,786,040)**	**(5,238,263)**
Discount paid on financial liabilities	(1,231,230)	(1,231,230)
Interest paid on lease liabilities	(229,168)	(246,077)
Net cash flows used in operating activities	**(5,246,439)**	**(6,715,571)**
Investing activities		
Acquisition of property, plant and equipment	-	-
Disposal of property, plant and equipment	-	-
Cost incurred on Capital WIP	-	-
Cost incurred on Software WIP	-	-
Payment for security deposit	-	-
Acquisition of intangible assets	-	-
Investment in subsidiaries	(4,747,484)	(9,000,000)
Net cash flows used in investing activities	**(4,747,484)**	**(9,000,000)**
Financing activities		
Payment of principal portion of lease liabilities	(688,904)	(671,995)
Proceeds from issue of share capital	9,188,556	13,450,000
Proceeds from share premium	(16,356)	-
Net cash flows from financing activities	**8,483,296**	**12,778,005**
Net increase in cash and cash equivalents	**(1,510,626)**	**(2,937,565)**
Cash and cash equivalent at beginning of quarter	22,123,409	25,060,974
Cash and cash equivalent at end of quarter	**20,612,783**	**22,123,409**

Figures in brackets indicate deductions.

Notes to Financial Statements

For the Quarter ended 31 March 2026

		Q1 2026 Company MVR	Q4 2025 Company MVR
1	**Revenue**		
	Revenue	-	-
2	**Cost of sales**		
	Cost of sales	-	-
3	**Other income**		
	Grant income	13,149	13,441
	Rental income	166,536	166,536
	Late fine and penalties	16,992	19,623
	Other Incomes	-	-
		196,676	**199,600**
4	**Administrative expenses**		
	Personnel costs (4.1)	3,153,430	3,222,475
	Depreciation on property, plant and equipment	198,732	209,847
	Amortisation of intangible assets	22,891	22,891
	Depreciation of right-of-use assets	725,433	725,433
	Fund management costs	-	-
	Stationary and office supplies	4,857	4,898
	Pantry expenses	284	6,253
	Bank charges	2,309	2,729
	Travel expenses	-	-
	Professional fees	74,000	148,000
	Other administrative fees	1,000	77,100
	Utilities	73,305	162,464
	IT expenses	69,755	71,456
	License fees	2,805	987
	Transportation and handling	-	-
	Repairs and maintenance	1,500	7,366
	Training and development	-	69,913
	Meeting and refreshments	12,250	5,927
	Conferences and networking events	-	-
	Miscellaneous expenses	-	-
		4,342,551	**4,737,740**

MALDIVES FUND MANAGEMENT CORPORATION
QUARTERLY FINANCIAL REPORT - Q1

Notes to Financial Statements

For the Quarter ended 31 March 2026

		Q1 2026 Company MVR	Q4 2025 Company MVR
4.1	**Personnel costs**		
	Wages and Salaries	1,602,770	1,692,960
	Staff Allowance	1,242,752	1,216,690
	Directors Remuneration	193,209	191,709
	Pension Contributions	114,699	121,116
		3,153,430	**3,222,475**
5	**Selling and marketing expenses**		
	Marketing and PR Events	275	-
	Other marketing expenses	-	65,818
		275	**65,818**
6	**Net Finance Cost**		15,818
	Finance income from non-current deposits	(8,333)	(8,128)
	Discount on financial liabilities	1,217,700	1,244,760
	Finance cost from lease liabilities	229,168	246,077
		1,438,536	**1,482,709**
7	**Property, plant and equipment**		
7.1	**Furniture and fittings**		
	Cost	1,915,267	1,915,267
	Accumulated depreciation	(857,814)	(810,622)
	Net book value	1,057,453	1,104,645
7.2	**Office equipment**		
	Cost	3,122,863	3,122,863
	Accumulated depreciation	(2,179,838)	(2,067,461)
	Net book value	943,025	1,055,402
7.3	**Motor vehicle**		
	Cost	795,000	795,000
	Accumulated depreciation	(450,472)	(411,309)
	Net book value	344,529	383,691
	Net book value	**2,345,007**	**2,543,738**
7.4	**Capital work-in-progress**		
	Assets in-transit		
	Developmental projects	17,422,045	17,422,045
		17,422,045	**17,422,045**

Notes to Financial Statements
For the Quarter ended 31 March 2026

		Q1 2026 Company MVR	Q4 2025 Company MVR
8	**Intangible assets**		
8.1	**Computer softwares**		
	Cost	304,885	304,885
	Software work-in-progress	3,786,918	3,786,918
	Accumulated amortisation	(115,693)	(92,802)
	Net book value	**3,976,110**	**3,999,001**
9	**Right-of-use assets**		
9.1	**Leasehold office buildings**		
	Cost	21,422,729	21,422,729
	Accumulated depreciation	(12,909,302)	(12,183,869)
	Net book value	**8,513,428**	**9,238,861**
10	**Investment in subsidiaries**		
	MFMC Capital	414,279,700	408,239,200
	Agro National	-	18,500
	Ocean Connect Maldives	22,500	22,500
		414,302,200	**408,280,200**
11	**Other non-current assets**		
	Refundable security deposits	369,712	361,380
		369,712	**361,380**
12	**Trade and other receivables**		
	Trade receivables		
	Intercompany receivables	15,843,228	15,780,913
	Called up capital	-	-
	Other receivables	27,606,751	25,947,918
		43,449,979	**41,728,831**
13	**Other current assets**		
	Advances and Deposits	632,399,820	632,399,820
	Prepaid expenses	63,418	132,099
		632,463,238	**632,531,919**
14	**Cash and cash equivalents**		
	Cash in hand	4,000	1,759
	Cash at bank	20,608,783	22,121,650
		20,612,783	**22,123,409**

Notes to Financial Statements

For the Quarter ended 31 March 2026

		Q1 2026 Company MVR	Q4 2025 Company MVR
15	**Lease liabilities**		
	Current	2,136,588	2,411,722
	Non-current	6,611,833	7,025,603
		8,748,421	**9,437,325**
16	**Financial liabilities at amortised cost**		
	Commercial Paper Notes issued	98,768,770	98,768,770
	Discount payable	94,710	108,240
	Short-term loans	2,000,000	2,000,000
		100,863,480	**100,877,010**
17	**Trade and other payables**		
	Trade Payables	1,470,962	1,967,934
	Inter-company payables	3,987,297	2,712,780
	Payables to SOEs	512,788	487,498
	Payables to Government	4,500	4,500
	Payables to Projects	27,087,661	25,433,044
	Other Payables	2,707	-
	Payroll Liabilities	78,230	105,667
	Accrued Expenses	161,841	241,376
		33,305,985	**30,952,800**
18	**Deferred Grant**		
	EU support grant	5,013,183	5,026,332
		5,013,183	**5,026,332**