

# GOING BEYOND LOGISTICS

Centurion Public Limited Company

Annual Report 2021



## Attention

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

Centurion prepares its financial statements in accordance with International Financial Reporting Standards. References to a year in this report are, unless otherwise indicated, references to the Company's financial year ending 31st December 2021.

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

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

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

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# ABOUT THE REPORT

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

## Reporting Framework

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

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

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

Continuing Disclosure Obligations of Issuer of CMDA;

Maldives Stock Exchange Listing Rules;

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

## Report Boundary and Reporting Period

The overall boundary of this Report includes both Centurion PLC (referred to as CPLC or Company) and its subsidiaries as listed in page 8 (collectively referred to as the "Group"). Both financial aspects and non-financial aspects are covered for Centurion PLC and its subsidiaries. Reporting period covers from 1 January 2021 to 31 December 2021.

## External Assurance

The Financial Statements were audited by Messrs KPMG Chartered Accountants.

## Precautionary Principle

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

## Forward-looking statements

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

## Queries

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

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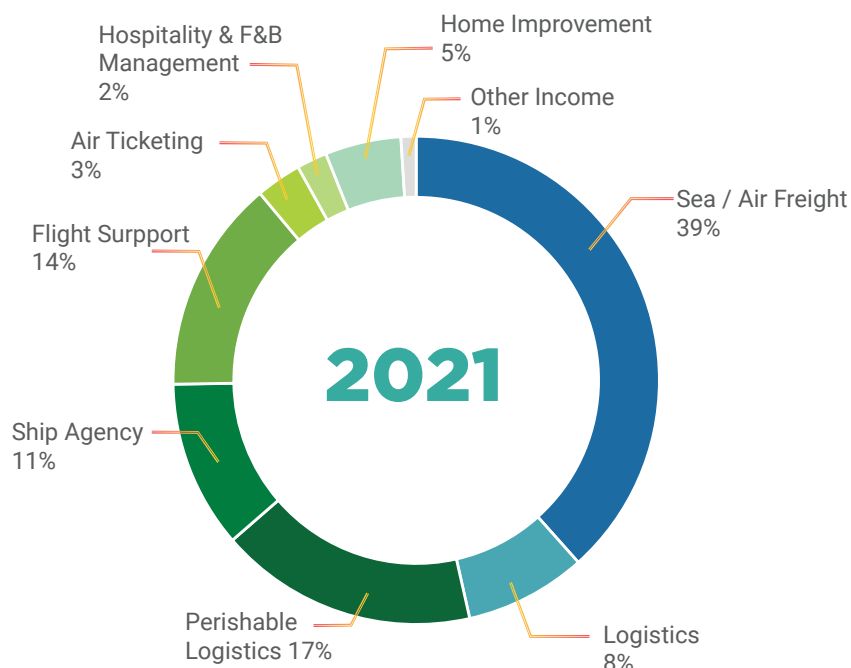
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Email: [info@centurion.mv](mailto:info@centurion.mv)

This Report is available in both print and HTML versions. The latter can be downloaded from the Company's website [www.centurion.mv](http://www.centurion.mv)

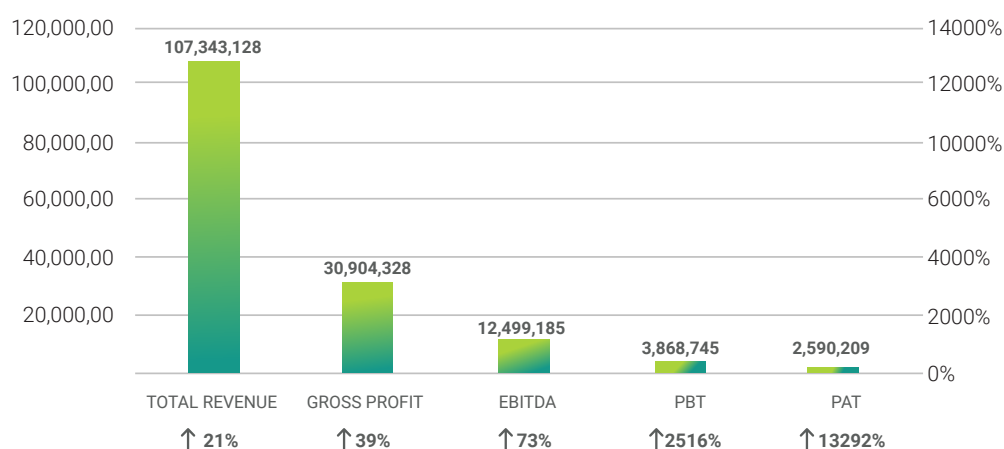


# FINANCIAL HIGHLIGHTS 2021

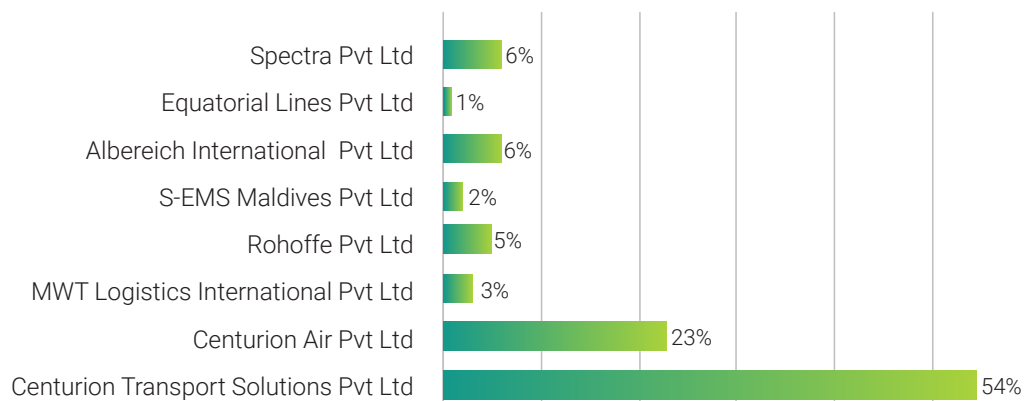


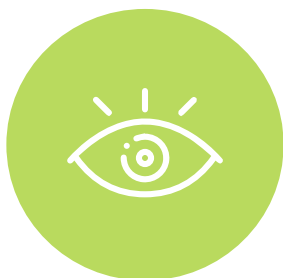
CONSOLIDATED NET SALES  
**MVR 107.3**  
**MILLIONS**

## KEY PERFORMANCE INDICATORS



## SUBSIDIARY WISE TURNOVER CONTRIBUTIONS





## VISION

To Continuously create new opportunities for growth in our strategic businesses.



## MISSION

To create significant economic value for our customers, rigorously implement our culture of continuous improvement and invest in self-managed people who apply the values of our business philosophy.



## OUR GOALS

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

# CORPORATE VALUES

## Inspire Confidence

We will carefully select, train, and develop our people to be creative and empower them to take decisions, so that they respond to all stakeholders with agility, confidence, and teamwork.

## Always Stretch

We stretch ourselves to be cost effective and efficient in all aspects of our operations and focus on flawless delivery to create and provide the best value to our stakeholders.

## Excellent Quality

With utmost care for the environment and safety, we will always strive to excel in the quality of our processes, our products, and our services.

## Nurture Innovation

By sharing our knowledge and learning from each other and from the markets we serve, we will continue to surprise our stakeholders with innovative solutions.

## The scope of our Philanthropy (Social Responsibility)

The Sustainable Development Goals (SDGs), otherwise known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Our primary passion and commitment, is to protect the environment we live in. Our deep care for the community also inspires us to support issues that impact the daily lives of our customers and employees. As a company we have a unique approach to giving back, which incorporates our non-profit partners, employees, and the community.

# GROUP STRUCTURE

Subsidiary companies listing



**Centurion Public Limited Company**

**Centurion Transport Solutions Pvt Ltd**

A dedicated freight service provider



**S-EMS Maldives Pvt Ltd**

Specialized for air cargo brokerage & warehousing

**Rohoffe Pvt Ltd**

Specialized service provider for ship handling  
& husbandry service



**Centurion Air Pvt Ltd**

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

**Equatorial Lines Pvt Ltd**

Diversified NVOCC handling unit



**Albereich International Pvt Ltd**

Specialized for STS operations & oil & gas trading

**MWT Logistics International Pvt Ltd**

Nich for LCL cargo consultation



**Spectra Pvt Ltd**

Specialized for Home improvement, Hospitality & F&B

# SUBSIDIARY COMPANY REVIEW

## Centurion Transport Solutions Pvt Ltd

### Business Overview

Centurion Transport Solutions Private Limited (CTS) is a limited liability company founded in the Republic of Maldives on 26th August 2010 bearing registration no. C-0510/2010. CTS offers a reliable and effective transport solution to the shipping and logistics industry. It has a strong network within Maldives and provides liner agency services, logistics, freight forwarding and related services. CTS is the largest operator of temperature-controlled fleet of perishable supply boats serving a back bone service to the tourism industry.

## Rohoffe Pvt Ltd

### Business Overview

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

The company specialises in providing agency services including shipping supply service and serves all Maldivian ports including the international shipping traffic lanes off the northern and southern tip of Maldives. In addition, Rohoffe provides support services to maritime security companies' anti-piracy operations by providing embarkation and disembarkation for personnel and storage facilities for weapons in the Maldives. Most recently Rohoffe has started providing STS (Ship to Ship) transfer service for the oil and gas industry.

## Centurion Air Pvt Ltd

### Business Overview

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

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

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



## **MWT Logistics International Pvt Ltd**

### **Business Overview**

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

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

## **Equatorial Lines Pvt Ltd**

### **Business Overview**

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

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

## **SEMS Maldives Pvt Ltd**

### **Business Overview**

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

The company is a specialized customs-clearing house with Broker's license. It has its offices in Velana International Airport cargo area.

## **Albereich International Pvt Ltd**

### **Business Overview**

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

## **Spectra Pvt Ltd**

### **Business Overview**

Spectra Private Limited is a limited liability company incorporated in the Republic of Maldives on 20th September 2008 bearing registration no. C-00839/2008. Spectra is specialized in home improvement, hospitality and F&B.

# OUR BUSINESS MODEL

Centurion Group has truly developed into a multi-disciplinary business enterprise. With its beginning in 2010 as a third-party logistics company as Centurion Transport Solution Pvt Ltd and its most recent acquisition of Spectra Pvt Ltd, the business portfolio offered by Centurion group is diverse.

Developing key sectors and continuously creating new opportunities for growth is our strategic business goal. Acquisition of Spectra Pvt Ltd, a leading solution provider in the field of interior and outdoor finishing material has opened doors to look beyond the traditional business lines. Spectra's Hospitality business division created a path for Centurion to step into and grow into a totally new sector. The Covid Pandemic created opportunities in E-Commerce and Fulfilment service. This is an area that is being developed to connect the island of Maldives to the global marketplace.

The company is focusing in earning acceleration and growth potential in existing traditional lines of business.

The group's portfolio is diverse, covering liner shipping, air cargo and passenger sales, project cargo and perishable cargo operations that involves fleet management and customs brokerage.

Forward looking strategic business model with diversification is being implemented to mitigate the impact of a global economic downturn.

Today Centurion is operating with four offices in Maldives covering Northern and Southern regional ports with more than 150 staff employed currently.



**Logistics Management**



**Perishable Logistics**



**Freight Management**



**Air Line Representation**



**Warehouse Solutions**



**Shipping Service**



**Gas & Oil**



**E-commerce Shopping & Forwarding**



**Trade & Hospitality**

# GROUP STRATEGY

Centurion PLC group's core strategy has always been to achieve adequate returns based on the turnover target.

The COVID-19 crisis, was not an ordinary economic downturn. There were fundamental changes in consumer behaviour and supply chains, and routes to market were knocking companies off balance. Building an intelligent enterprise to create agility and resiliency is part of the key change in our strategy.

Becoming an intelligent enterprise meant shifting from top-down decision-making; empowering teams guided by purpose, driven by data and powered by technology; -enabled by cloud for faster speed to reach the market. The group had to reinvent its digital strategy to encompass both the technological and the cultural changes needed for digital transformation.

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

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



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

# OUR SERVICES



## Shipping Services

Ship Agency, Bunker Fuel, Protecting Agency, Repair and Maintenance services, Marine Survey, P&I representation, STS Service



## Air Line Representation

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



## Warehouse Solutions

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



## Gas & Oil

STS Operations, Petroleum trading, Petroleum distribution



## Logistics Management Services

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



## Trade & Hospitality

Import, Distribution, Hotels, F&B



## Freight Management Services

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



## Perishable Logistics Services

Hotel supply chain management, Fleet management



## E-commerce Shopping & Forwarding services

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



# AWARDS AND RECOGNITION

Centurion has done it again by receiving the 'Corporate Maldives GOLD 100 Award' as one of the leading 100 companies in the Maldives in 2021. This is the fifth consecutive year Centurion has won this prestigious award.

This prestigious award reflects the contribution being made by Centurion to the Maldivian economy while instilling industry leading sustainable practices in the local community and is a validation of our efforts to raise the bar despite pandemic induced challenges.

GOLD 100 is a list of 100 leading business entities in the Maldives, awarded by Corporate Maldives every year. Through a transparent and unbiased selection criterion, GOLD 100 is devised as a selection of the leading business entities in the country.



*Managing Director Aimon Jameel with finance minister Ibrahim Ameer  
16 November 2021*







# LETTER TO SHAREHOLDERS

Dear Shareholders,

It is again a great privilege to be addressing you as Chairman of Centurion PLC Group for the financial year ended as at 31 December 2021.

The industry as a whole has been dealt with its fair share of challenges in the past two years, mainly arising from the Covid-19 pandemic, officially announced by the World Health Organization in March 2020. The health crisis continued into 2021, and while the vaccination roll-out from July 2021 loomed towards a beginning of economic recovery, new variants such as the Delta and the Omicron slowed the process.

Our team thus stand together and worked collectively to move forward. The support from you all stakeholders (shareholders, board of directors, holding companies, management, staff, customers, creditors, bankers and vendors) have helped in overcoming the challenges we faced during the year.

CPLC is one of the leading logistic companies in the Maldives. Since our establishment in 2009, we have built a strong track record in the market. Over the years we have diversified horizontally as well as vertically and have established a reliable and competitive market for our customers. We are specialized in transportation business and support trade in general. Today we have our own fleet of vessels and dedicated staffs giving their maximum to keep our customers satisfied.

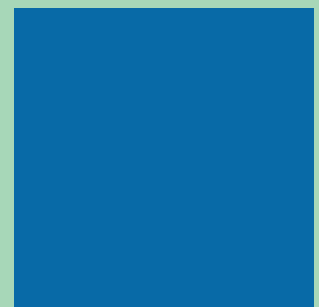
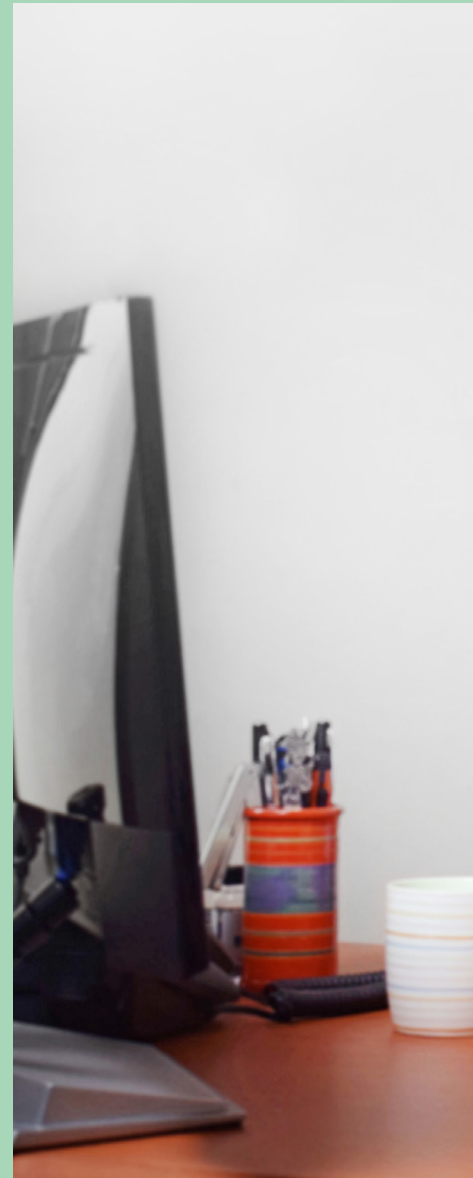
In the financial year ended as at 31 December 2021, CPLC reported a total revenue of 107.3 million, primarily from our liner agency services and freight forwarding related services. This is a testament to the strength of the Company's inner core, namely, its leadership, manpower capabilities, and continuous efforts to make safety, quality, and environmental care as its priorities. Acting in concert, they enabled us to deliver customer expectations.

I am confident the future of CPLC is in good hands and wish to record my appreciation to the members of our Board of Directors, for steering the Company throughout the year. We are fortunate to have on Board a diversity of talents, with the knowledge and foresight to deliberate on difficult issues and make good decisions.

CPLC has strong management and staff pool, whose continuous support and cooperation have gone a long way in steering the company through many challenges. Our appreciation also goes out to all shareholders, for their confidence in our group and also choosing us as their service provider. We look forward for all of your continued support as we continue with our journey ahead.



Capt. Ahmed Maumoon  
Chairman





*“ With the commitment and support of our stakeholders,  
I am confident the Company will rise above current  
challenges and forge a brighter future ahead.”*



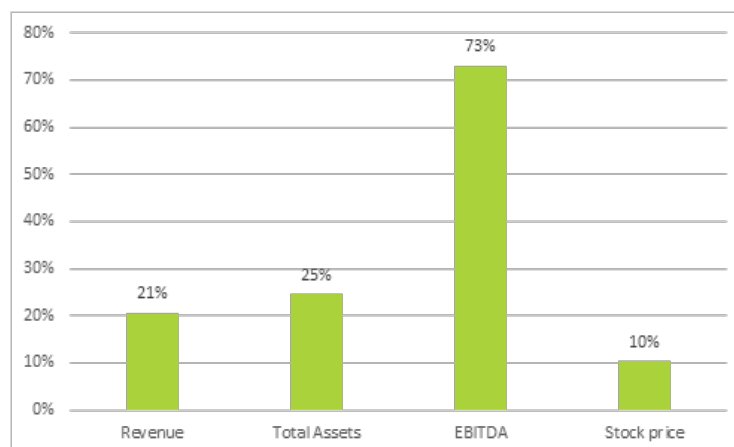
# MANAGING DIRECTOR'S MESSAGE

Dear Shareholder,

Approximately two years ago, we were in the depths of a pandemic that few people had seen coming and no one could have certainty about where it was going.

With all the challenges, 2021 was a big year for us. The success we achieved in 2021 is just a reflection of the trust that our clients and partners have in us. And their trust led to a great recovery performance in virtually every key area of measurement in 2021:

- Revenue
- Total assets
- EBITDA
- Stock price



Are we proud? Yes, of course. But far more, we are grateful and humbled. We are grateful for the trust our clients and stockholders place in us.

We are committed to continuing to build the type of company that treats all constituencies—our clients, our stockholders, our employees, our vendors and partners, our regulators, and our communities—with honor and respect.

This is my sixth opportunity to have the honor of writing to you. As in the past, my goal is to keep this letter clear, direct, and free of jargon, corporate-speak, and trendy buzzwords. The litmus test for my letter is whether it reads as if I were corresponding with a business partner who has been out of touch for the past year. And as always, please let me know if I've achieved this goal.

## New member of The group

### Spectra

When we bought Spectra a year ago, it had a massive market opportunity but needed significant investments in platform, product, and management. The focus since then has been on improving stocks, optimizing customer services, and re-aligning the hospitality division, all to lay the foundation for transformational product innovations. These efforts have largely worked. The core Consumer business, which represents nearly 75% of Spectra's revenue, has grown by 27% since its acquisition despite the immediate negative impact of the pandemic.

## Group Performance

As per the audited Centurion PLC 2021 Financial Statement, the consolidated sales revenue in 2021 was mvr107.3 million, an increase of 21 pct compared with the previous FY year 2020. EBITA for the year 2021 reached 12.50 Million, an increase of 73 pct in comparison to FY 2020. The net profit after tax reached an mvr2.6 million, compared to the previous year 2020 this is a great increment to the CPLC. The earnings per share (EPS) after tax is mvr0.42, an increment of 10% compared with the previous year

## A changing world

As we step into 2022, the international transportation and logistics market is faced with great opportunities, but also great challenges.

Supply chain disruptions continue due to many factors, including port congestion, a shortage of chassis, truck drivers, and other essential logistics workers – mainly due to the COVID-19 pandemic. The global pandemic remains a threat. For instance, the recent lockdown in Shanghai crippled transportation out of China causing major supply chain delays.



And, of course, the Russia-Ukraine war is expected to continue for some time, harming the global economy and pushing oil prices higher, which will significantly increase the cost of international transportation. The war and sanctions have made many ports, especially in Europe, even more congested, further slowing and disrupting global supply chains. According to the WTO, global inflation and an economic growth slowdown are inevitable. Global trade volumes and the transportation & logistics operations that support global trade will be subject to change based on multiple variables. Looking to the future, Centurion Group is well prepared to face the coming challenges in the global transportation and logistics market. We will leverage our strong management team and adapt quickly to market changes. Our goals, as always, are to satisfy our customers, achieve our business management objectives in compliance with international standards, support our valued employees who contribute to the growth of the company, and deliver a fair return to all our shareholders.

Aimon Jameel  
Managing Director

***“Our post covid transformation journey is well underway with clear results that illustrate our commitment to delivering excellence.”***

# BOARD OF DIRECTORS



**Capt. Ahmed Maumoon**  
Chairman / Non-Executive Director



**Mr. Aimon Jameel**  
Managing Director/ Executive Director



**Dr. Ahmed Ranesh**  
Non-Executive Director



**Ms. Hawwa Shafeea Riza**  
Non-Executive Director



**Mr. Abdulla Nafiz**  
Non-Executive Director



**Mr. Ismail Hameed**  
Non-Executive Director



**Mr. Husain Nizar**  
Executive Director

# BOARD OF DIRECTORS PROFILE



**Capt. Ahmed Maumoon**  
Chairman / Non-Executive Director

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

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

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



**Mr. Aimon Jameel**  
Managing Director/ Executive Director

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

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



**Mr. Hussain Nizar**  
Executive Director

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

Mr. Nizar has been one of the leading businessmen in the Maldives before he took the chair at Centurion. He served as the Managing Director, Director and shareholder of Marine Coral Maldives, Radiant heat Group and Aspac Maldives.

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



**Mr. Ismail Hameed**  
Non - Executive Director

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

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

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



**Mr. Abdulla Nafiz**

Non-Executive Director

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

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

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

Mr Nafiz also served as one of the four directors of the Maldives National Shipping Limited (MNSL) including the position of the Chairman of the Maldives National Shipping Agencies, Singapore, a fully owned subsidiary of the MNSL. In addition, he also served as a national consultant for Small-Medium Enterprise (SME) to the United Nations Development Programme (UNDP).

**Dr. Ahmed Ranesh**

Non- Executive Director

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

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

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



## **Ms. Hawwa Shafeea Riza**

Non-Executive Director

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

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

### Work Experience:

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

### Other Engagements

- Co-Founder and Co-Chairperson, Family Legal Clinic









# EXECUTIVE TEAM

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## **Mr. Aimon Jameel**

Managing Director

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



## **Mr. Hussain Nizar**

Group - COO

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

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

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

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

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



### **Mr. Ahmed Mansoor**

Executive Director - Operations

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

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



### **Mr. Muruthala Musthafa**

Company Secretary

Mr. Muruthala Musthafa was appointed as the Company Secretary of Centurion Plc on 14 August 2016. Mr. Muruthala has over twenty-seven years of experience in Tourism and Hospitality industry in Maldives. He is currently working in the Stellar Group of Companies (Stellar Holdings Pvt Ltd) in different capacities.



### **Mr. Mohamed Aneel**

Sr. Manager - Financial Planning and Analysis - Deputy CFO

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

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



### **Ms. Hawwa Fazeedha**

Deputy CFO

Ms. Fazeedha is the Chief Accountant of CPLC Group and Executive Director of MWT International Pvt Ltd. She oversees the CPLC Group's finances and overall operation of MWT. She joined the Centurion Transport Solutions in December 2013 as an Accountant, then was appointed as Chief Accountant of CTS on September 2018, and finally assumed her present role as the Chief Accountant of the overall Group in June 2019 and Executive director as of June 2020.

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

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



# KEY MANAGEMENT TEAM



## **Mr. Zafar Ahmed Zia**

General Manager - Freight Forwarding

Having around 25 years of experience at different roles in shipping and freight forwarding of various sectors, he started his career as a shipping professional in 1994 in Karachi, Pakistan. Mr. Zafar was initially assigned to look after documentation and sales, which then advanced to the engagement in Global Agents Networking and Developments, where he was able to add regional NVOCCS operators such as: Min Sheng Lines, China; Perma Shipping Lines, Singapore; Sea Lloyds, Malaysia; Emkay Lines, Dubai; Lancer Container Lines, Dubai; Ceekay Containers, Dubai. HCL Logistics (air cargo network of ECU Worldwide), Shipco Air and World Business Network are attainments on the side of LCL and air freight businesses.

Zafar Ahmed Zia holds a Bachelor's Degree in Commerce from the University of Karachi, Pakistan.



## **Ms. Philicia Stella**

Executive Director Sales (Rohoffe)

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

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

She has a Bachelor of Business Administration (BBA), is a Graduate in Chartered Institute of Marketing (CIM), from the University of Cambridge, UK, and holds a Masters of Business Administration (MBA), from the University of Bedfordshire, UK.

# CURRENT KEY MANAGERS



**Ismail Amith**

Sr. Manager – HR & Admin



**Aishath Riyasha**

Assistant Manager -Perishable Logistics



**Babu Subramaniam**

Manager - Freight Sales



**Umniyya Izzath Hussain**

Manager - Business Planning  
& Performance



**Fathimath Yumna**

Corporate Secretary



**Shirumeena Umar**

Documentation



**Ahmed Naheez Saeed**

Director - Centurion Fuel



**Hussain Naushad**

Sr. Manager : Media & Event Management



**Ali Nashid**

Director - S-ems Maldives



**Mahesh Munaweera**

Manager - Financial Reporting & Compliance

# DIRECTORS REPORT

## Strategic Direction

The COVID-19 pandemic sent shockwaves through societies and economies around the world. Maldives was no exception. As we went into the second year of the Pandemic, it was time to strategize for post-pandemic transformations. It required us to rethink development. A full-day strategic planning and brainstorming session was held offsite that involved Senior Management, Executives and Middle Managers. To meet the challenges, the group had to adapt and diversify from its traditional business lines to mitigate any negative impact the global and the local economy may have.

Centurion's vision to continuously create new opportunities for growth in our strategic businesses was born.

Considering this strategic vision, the company is focusing in accelerated earning and growth potential in existing traditional lines of business.

Centurion Group represents Mediterranean Shipping Company (MSC) the world's largest Liner shipping company operating in all major ports of the world. With this platform, Centurion supports the crucial export market in Maldives, and of course can provide inbound service from any port in the world.

Sajak line is a special equipment carrier and a key service provider, shipping in the much-needed heavy machinery for the infrastructural development of Maldives. Through its network of agents, Centurion offers Less than Container Load (LCL) service to the traders in Maldives. Through Asset Management, the group provides the tourism sector with a fleet of perishable boat services with just-in-time deliveries enabling the resorts to keep their stock fresh. Through its customs brokerage service, the group is able to offer a seamless door-to-door service.

Centurion is the Cargo Sales Agent (CSA) and Passenger Sales Agent (PSA) for Singapore Airlines. Most recent appointment of Centurion Group Company as the PSA for Maldivian Airlines availed us ticket sales throughout Maldives.

Developing key sectors and continuously creating new opportunities for growth is our strategic business goal. Acquisition of Spectra Pvt Ltd, a leading solution provider in the field of interior and outdoor finishing material has opened doors to look beyond the traditional business lines. Spectra's Hospitality business division created a path for Centurion to step into and grow into a totally new sector. The Covid Pandemic created opportunities in E-Commerce and Fulfilment service. This is an area that is being developed to connect the islands of Maldives to global marketplaces.

Centurion is continuously exploring opportunities to achieve the goals as laid out in the five-year Strategic Plan.

five-years

# Strategic planning brainstorming session

10 November 2021



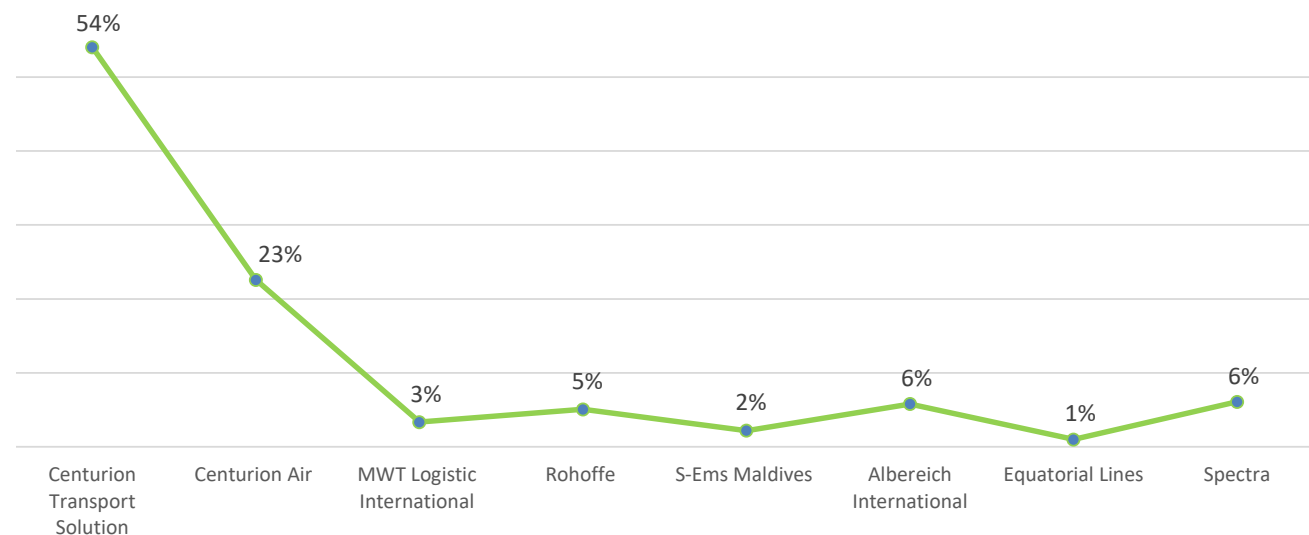




# BUSINESS REVIEW

## Turnover Performance

Group consolidated turnover is MVR 107.3 million for the financial year ended as at 31st December 2021. In an environment where COVID-19 disrupted almost all aspects of the global trade, the Company grew its revenue by 21% compared to the last year (2020). A major revenue contributor to Centurion PLC, Centurion Transport Solutions has contributed over 54% (MVR 58.7 million) in revenue during the FY 2021.



	2021	2020	CHANGES	%
Centurion Transport Solution Pvt Ltd	58,742,524	57,794,785	947,739	2%
Centurion Air Pvt Ltd	24,233,256	12,354,754	11,878,502	96%
MWT Logistic International Pvt Ltd	3,600,053	5,510,626	(1,910,573)	-35%
Rohoffe Pvt Ltd	5,451,889	9,031,278	(3,579,389)	-40%
S-Ems Maldives Pvt Ltd	2,360,213	1,642,821	717,392	44%
Albereich International Pvt Ltd	6,210,223	2,494,570	3,715,653	149%
Equatorial Lines Pvt Ltd	217,855	197,031	20,824	11%
Spectra Pvt Ltd	6,527,115	N/A	N/A	N/A
<b>Total Turnover:</b>	<b>107,343,128</b>	<b>89,025,865</b>	<b>18,317,263</b>	<b>21%</b>

## Profitability Performance

The group has reported 29% of gross profitability and 2% of net profit after tax reductions. EBITDA margin stood 12% for the financial year 2021 showing 42% of significant growth trend. Below diagram shows trend of group performance for last two complete financial years.

KEY INDICATORS	2021	2020	CHANGES	%
GROSS PROFIT	30,904,328	22,182,049	8,722,279	28%
EBITDA	12,499,185	7,238,812	5,260,373	42%
NET PROFIT / (LOSS)	2,590,209	19,342	2,570,867	99%

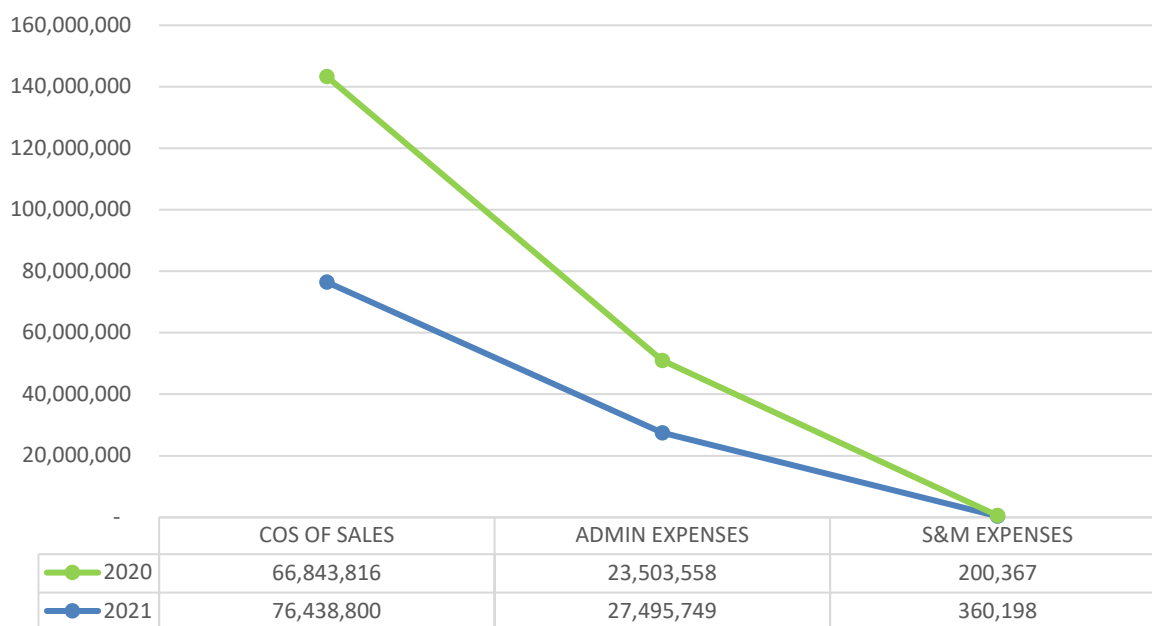


## Operating cost structure

Centurion Plc (CPLC) has diversified its business among its 8 subsidiary companies. During the year 2021, CPLC management has reviewed Group administrative expenses of its individual companies as a key cost centre. Several cost-cutting measures for the COVID-19 pandemic, has been re-instated in 2020.

Development of Centurion Air during 2021 was one of the key focuses of management, and as a result Air-ticketing had started in the same year 2021.

The below chart shows operating cost / expenses changes over the period of 2021 and 2020.



KEY INDICATORS	2021	2020	CHANGES	%
Cos of Sales	76,438,800	66,843,816	9,594,984	13%
Admin Expenses	27,495,749	23,503,558	3,992,191	15%
S&M Expenses	360,198	200,367	159,831	44%

## Shareholders Structure

The shareholding structure of the company as at 31st December 2021 stood as follows in the figure below. During the financial year the Company has not issued additional shares, or made any capital reductions.

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

## Trading Highlights

	2021	2020
Highest Traded Price	MVR 32	MVR 29
Lowest Traded Price	MVR 27	MVR 29
Last Traded Price	MVR 28	MVR 29
Number of Shares Traded	6	2
Number of Trades	400	1
Earning per share	0.42	0
Dividend declared	0	0
Weighted Average Traded Price	MVR 29.66	MVR 29
Market Capitalization	MVR 199 .84 Mn.	MVR 206.99 Mn.

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

# STAKE HOLDER ENGAGEMENT

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

## External Stakeholders

Shareholder

Customers

Environment

Government

Suppliers

Communities

Media

Regulators

## Internal Stakeholders

Employees

Management

Directors

Owners

## Stakeholder Engagement

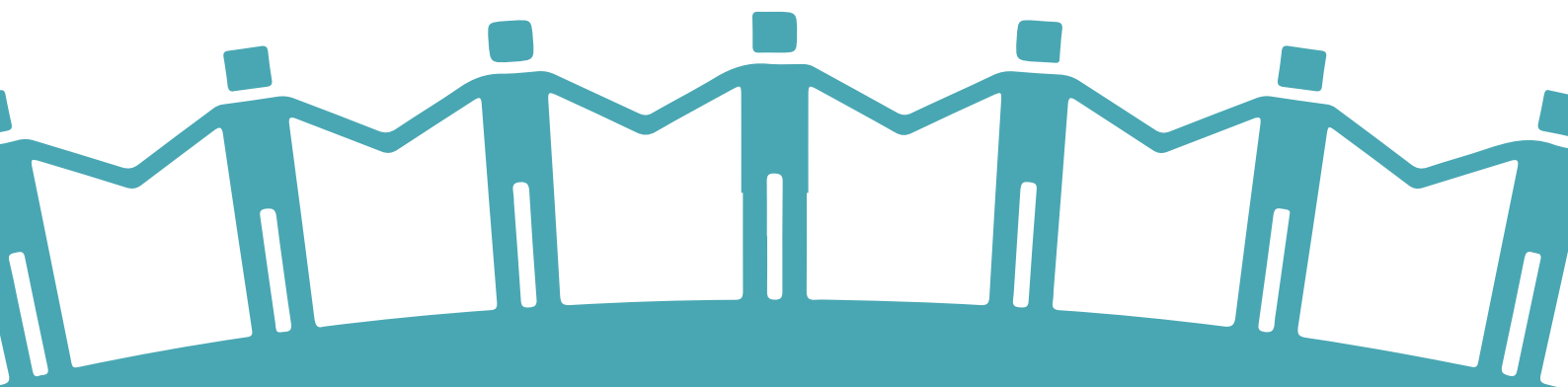
Web

Survey

Workshop

Dialogue

Forum



# STAKE HOLDER VALUE CREATION

The capital structure of the Group as at 31 December 2021 stood as follows in the diagram below. During the financial year the Company has not issued additional shares, or made any capital reductions.

	Capital	Definition	Inputs	Outcomes
External Stakeholders	Financial	Economic resources to fund the business	Equity Capital - MVR 177.14 Mn Debt Capital -MVR 5.4 Mn	Revenue - MVR 107.34 Mn Revenue Growth (21%) Gross Profit Margin 29%
	Manufactured	Infrastructure that generates income	Largest Vessel fleet operator to Maldives economy Largest NVOCC operator in the country International network representation for major networks	End-to-end solutions for the customer Efficient globe transport solutions to local community
Social Dimension	Intellectual	The knowledge and intellectual property people use to gain a competitive advantage and grow the business	Know-how and Competency Investing in ERP Systems and Processes Strategic Partnerships Best Practices	Consistent long-term Returns to shareholders Best in-class experience for customers
	Human	The knowledge, skills, talents and experience of people that determines the capacity of an organisation to accomplish its goals	Recruitment and Retention Remuneration and Benefits Diversity and Inclusion Human Rights Compliance Training and Development Employee Engagement Employee Health, Safety and Well-being	Job Satisfaction Higher Remuneration Better Benefits Opportunities for career growth Share in the intangible benefits associated with corporate growth Better work life balance Ability to upgrade lifestyle
	Social and Relationship	The value an organisation builds through engagement and informationsharing with stakeholders to achieve mutual well-being	Customer Relationship Management Supplier integration Corporate Social Responsibility	Access to the best in-class solutions (customer) Sustainable long-term business relationships (Supplier) Elimination of Social inequalities (Community)
Economic Dimension	Natural	The world's stocks natural ecosystems and assets, including geology, soil, air, water and all forms of life	Energy and Fuel Management through renewable energy system for vessel fleet Avoid elimination of waste to sea Paper & material resource use	Conservation of the environment for future generations

# CORPORATE SOCIAL RESPONSIBILITY

Centurion's approach to Corporate Social Responsibility (CSR) is simple and practical. We are committed to managing the social, environmental, and economic impact of our operations in line with the expectations of our employees, customers, partners, suppliers, and the community.

Centurion strives to be a responsible business partner that represents the highest standards of ethics and professionalism. We stay current on environmental issues to minimize our impact through sustainable business practices which include the solutions and services we provide to our customers. We respect, uphold, and maintain compliance with all respective international, national and local laws and regulations.



As an employer, Centurion works to continuously improve policies that drive diversity and inclusion by creating a working environment where all are empowered to share their perspectives and experiences so we can ultimately function better together. We view difference in perspectives as complementary traits that make us stronger and broadens our scope.

As a corporate citizen, Centurion engages with local charities and non-profit organizations that work within our communities to make a difference in their lives and to the environment. Centurion is passionate and is committed to the preservation and sustainability of this environment that we share, as one world.



Our policies, practices, and decisions are not biased on an individual's race, colour, sex, age, religion, national origin, mental or physical ability, ancestry, sexual orientation, gender identity or expression, marital status, source of income, parental status, housing status, or any other protected status.

Our goal at Centurion is to develop and maintain a culture of collaboration, cooperation, communication, and "teamwork" where all employees feel welcome, comfortable, safe, and as a part of the Centurion family.

We believe our dedicated focus on the fundamental aspects of our business alongside with the key elements of corporate responsibility; environmental, social and economic, creates a sustainable business model that derives success for all our stakeholders.

Israhvehinge Haveeru at K.Himmafushi  
3 December 2021





# CORPORATE GOVERNANCE REPORT

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

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

## Board of Directors

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

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

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

## Board Composition

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

In accordance to Article 40 of the Company's Memorandum and Articles of Association all the Directors who were not appointed or re-appointed at one of the preceding two Annual General Meetings are retired. Seven (7) Board members were appointed at the 4th Annual General Meeting held on 18th August 2020. Five (5) Members are re-appointments and Two (2) Members are new appointments

The composition of the Board as at 31 December 2021 is as follows:

Name	Status	Date of Appointment	Resignation / Removed date
Capt. Ahmed Maumoon	Non-Executive Director (Chairman)	18 <sup>th</sup> August 2020	
Mr. Aimon Jameel	Executive Director (Managing Director)	18 <sup>th</sup> August 2020	
Mr. Abdulla Nafiz	Independent, Non-Executive Director	18 <sup>th</sup> August 2020	
Dr. Ahmed Ranesh	Independent, Non-Executive Director	18 <sup>th</sup> August 2020	
Ms. Hawwa Shafeea Riza	Independent, Non-Executive Director	18 <sup>th</sup> August 2020	
Mr. Hussain Nizar	Executive Director	18 <sup>th</sup> August 2020	
Mr. Ismail Hameed	Independent, Non-Executive Director	18 <sup>th</sup> August 2020	

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

## Board Meetings

As the governing authority of the Company, the Board undertakes the duties to manage the company responsibly while ensuring sustainable growth and increasing value for its shareholders. During the year 2021, the board met 7 times. Meeting attendance is depicted below.

Name	Position	Meetings Attended	% Attended
Capt. Ahmed Maumoon	Chairman	7/7	100
Mr. Aimon Jameel	Managing Director	7/7	100
Mr. Abdulla Nafiz	Director	6/7	86
Dr. Ahmed Ranesh	Director	6/7	86
Ms. Hawwa Shafeea Riza	Director	5/7	70
Mr. Hussain Nizar	Director	6/7	86
Mr. Ismail Hameed	Director	3/7	42

## Annual General Meeting

The 5th Annual General Meeting of Centurion Plc was held as a virtual AGM on Tuesday, 27 May 2021 at 2030hrs, via Maldives Stock Exchange Online Meeting Management application (Fahi Vote). A total of 43 shareholders attended the AGM.

The following key resolutions were approved:

- Appointed KPMG as external auditors.
- Approved Financial Report for the year 2020.
- Dividend was not declared.

## Annual General Meeting

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

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

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

## Board Evaluation

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

## Directors' Remuneration

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

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

In 2021, a total of MVR 275,000 was paid as remuneration for Directors and Executives of the group.

## Other Directorships held by the Board

Name	Directorship
Capt. Ahmed Maumoon	Stellar, Supper Supply & Life Support Group pvt ltd.

## Code of Conduct

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

## Internal Controls

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

## Internal Audit

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

## External Audit

KPMG was appointed as the external auditors for 2021. The External Auditor was selected by obtaining competitive proposals from qualified service providers.

## **Communication with Shareholders**

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

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

## **Mechanism to Raise Concerns**

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

# CORPORATE GOVERNANCE REPORT

## Statutory Fees and Taxes

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

## Declaration by the Board of Directors

As the Board of Directors, we declare that we have discharged our responsibilities to the best of our abilities, and that the information presented in this Annual Report is true and accurate to the best of our knowledge. Utmost care was taken to ensure compliance with the Corporate Governance Code, Listing Rules, Securities Act and the Company's Act.

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

**Financial Statements** – The consolidated financial statements consist of the Income Statement, Balance Sheet, Cash Flow Statement, Statement of Changes in Shareholder Equity and Notes to the Consolidated Financial Statements. The financial statements of the year ended as at 31st December 2021 have been prepared:

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

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

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

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

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



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

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

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

On behalf of the Board of Directors,



**Ahmed Maumoon**  
Chairperson



**Aimon Jameel**  
Managing Director



**Abdulla Nafiz**  
Director

## Meetings

There were no committees held during the year 2021.

## Board Appointments

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

## Gender Diversity

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

## Executive Directors Serving Elsewhere

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

## Remunerations status

During the financial year 2021, total director remunerations and emoluments amount to MVR 275,000. The company follows a remuneration system directly linked with the performance of top management. Necessary periodic appraisals are conducted by the HR department and are processed for the approval of board members.

## Other reporting matters

Given the operating model of the entity, the decision to appoint CEO and Executive directors were taken via internal mechanisms adopted by the Remuneration Committee and no external consultation nor advertising was made to appoint CEO or any other non-executive directors.

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

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

On behalf of Nominations, Remuneration and Corporate Governance Committee,



**Capt. Ahmed Maumoon,**  
Chairperson

# SHAREHOLDER INFORMATION

## Director Shareholdings

Director Shareholding	Position	No. of Shares
Mr. Aimon Jameel	Executive Director	3,379,786
Capt. Ahmed Maumoon	Non – Executive Director	Nil
Mr. Hussain Nizar	Executive Director	Nil
Mr. Ismail Hameed	Non – Executive Director	Nil
Mr. Abdulla Nafiz	Non – Executive Director	Nil
Dr. Ahmed Ranesh	Non – Executive Director	1,000
Ms. Hawwa Shafeea Riza	Non – Executive Director	Nil

## ACKNOWLEDGEMENTS

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

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

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

# RISK MANAGEMENT REPORT

## BOARD OF DIRECTORS

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

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

## BOARD SUBCOMMITTEES

Board Sub-committees are responsible for overseeing the development and implementation of policies relevant to their area of scope, identification of emerging risks and for monitoring the ongoing effectiveness of our procedures.

### Audit Committee

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

### Remuneration & Nomination Committee

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

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

## CORPORATE MANAGEMENT

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

### Group Risk Management

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

## OPERATIONS

### Board

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



# OUR RISK MANAGEMENT FRAMEWORK

## Management Approach



### ● Risk Identification

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

### ● Risk Management

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

### ● Assessment and Evaluation

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

### ● Monitoring

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

# Report of The Nominations, Remuneration and Corporate Governance Committee

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

## Mandate

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

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

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

## Nomination committee mandates and processes

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

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

### **Remuneration committee mandates**

- Analyze, review and propose remuneration packages for Executive Directors and Executives of the Senior Management
- In determining the Executive Directors Remuneration, the committee shall assess industry benchmarks and propose packages aiming to retain Executive Directors and Executives of the Senior Management.
- Remuneration packages shall be reviewed once in every two years
- Committee shall also propose remuneration packages for Non-Executive Directors
- Committee shall at all times consider packages that is reflective of performance of the Directors (Performance based packages)
- Committee shall ensure disclosure of Directors remuneration in the Annual report

### **Corporate Governance committee mandates**

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

# AUDIT COMMITTEE REPORT

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

## Mandate

The purpose of the Audit Committee is as follows:

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

## Role of the Committee

The purpose of the Audit Committee is as follows:

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

## Meetings

The Committee held 7 meetings during the year 2021. Committee membership and attendance are as follows:

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

Following the AGM, the composition of the Audit Committee changed with the new incoming board. Mr. Abdulla Nafiz was appointed as the Chairperson of the Committee along with re-appointments to the Committee.

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

On behalf of the Audit Committee



Mr. Abdulla Nafiz  
Chairperson,



# SUMMARY FINANCIAL INFORMATION

## Summariesd Statement of Financial Performance

All In MVR

2021

2020

Changes

365 Days

365 Days

Revenue	107,343,128	89,025,865	18,317,263
Cost of Sales	(76,438,800)	(66,843,816)	(9,594,984)
Gross Profit	30,904,328	22,182,049	8,722,279
Other Income	2,002,981	2,124,999	(122,018)
Administrative Expenses	(27,495,749)	(23,503,558)	(3,992,191)
Sales and Marketing Expenses	(360,198)	(200,367)	(159,831)
Impairment Loss	(1,051,363)	390,202	(1,441,565)
Profit/ (Loss) from Operating Activities	3,999,999	993,325	3,006,674
Net Finance Income	(131,254)	(1,153,458)	1,022,204
Profit/ (Loss) before Tax	3,868,745	(160,133)	4,028,878
Tax Expense	(1,278,536)	179,475	(1,458,011)
Profit/ (Loss) - Total Comprehensive Income / (Loss)	2,590,209	19,342	2,570,867
Earnings per Share / (Loss per Share) (DPS)	0.42	0.00	0.41
Dividend per Share (DPS)	-	-	-
Net Assets per Share	35.55	32.47	3.07

## Summerised Statement of Financial Position

2021

2020

Changes

All In MVR

365 Days

365 Days

Total Assets	253,705,422	231,773,002	21,932,420
Equity	177,144,445	172,881,571	4,262,874
Total Liability	76,560,977	58,891,431	17,669,546

## Summerised Statement of Cash Flow Information

2021

2020

Changes

All In MVR

365 Days

365 Days

Operating Activities	10,175,915	4,343,552	5,832,363
Investing Activities	(1,026,195)	(1,174,169)	147,974
Financing Activities	(8,025,014)	(2,969,168)	(5,055,846)

## Key Financial Indicators

2021

2020

Changes

All In MVR

365 Days

365 Days

GP Margin	29%	25%	4%
NP Margin	2.41%	0%	2%
EBITDA Margin	12%	8%	4%
EPS (In MVR)	0.419	0.00	41%
Dividend (In MVR)	n/a	n/a	n/a
Dividend Yield	n/a	n/a	n/a
Highest Trading Price (In MVR)	32.00	29.00	3.00

# Integrated Reporting Framework

Metric		2021	2020	Y-O-Y
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## Financial performance

Revenue	MVR (Mn)	107.34	89.03	17%
Operating Profit	MVR (Mn)	4.00	0.99	75%
Profit Before Tax	MVR (Mn)	3.87	(0.16)	104%
Profit after Tax	MVR (Mn)	2.59	0.02	99%
Return on Equity	%	36%	0%	99%
Return on Capital Employed	%	17%	11%	37%

## Financial Position

Total Asset	MVR (Mn)	253.71	231.77	9%
Total Liabilities	MVR (Mn)	76.56	58.89	23%
Shareholders funds	MVR (Mn)	178.43	178.43	0%
Non- Controlling Interest	MVR (Mn)	1.34	0.07	95%
Total debts	MVR (Mn)	5.41	3.46	36%
Return on Capital Employed	%	17%	11%	37%

## Shareholders information

No of shares in issue	No	7,137,452	7,137,452	0%
Earning per share	MVR	0.42	0.00	88.01%
Net asset value per share	MVR	35.55	32.47	8%
Highest Trading Price	MVR	32.00	29.00	9%
Market capitalisation	MVR (Mn)	199.84	206.99	-4%

## Human Capital

Total Employees	No.	143	137	4%
Payments to Employee	MVR (Mn)	11.96	9.03	24%
Female representation *	%	53%	58%	-10%
No of graduates	No.	19	16	16%
Avarage Traning hours/employees	Hours	26	25	4%
Workplace Injuries	No.	NIL	NIL	NIL
Political representation	No.	NIL	NIL	NIL
Instance of disruption works	No.	NIL	NIL	NIL

\*Excluding contract staffs

Metric		2021	2020	Y-O-Y
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## Manufactured Capital

Property plant and Equipemnt	MVR (Mn)	10.93	10.35	5%
Right of Use asset	MVR (Mn)	18.37	16.86	8%

## Intellactual Capital

R & D investment	MVR (Mn)	0.46	0.30	34%
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## Social and Relationship Capital

Investment in CSR	MVR	79,350	53,650	32%
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## Natural Capital

Energy Consumption	GJ	182	185	-2%
Water Consumption	M3	140	110	21%



# **INDEPENDENT AUDITORS' REPORT & FINANCIAL STATEMENTS 2021**

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**CENTURION PUBLIC LIMITED COMPANY  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31<sup>ST</sup> DECEMBER 2021**

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

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

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

**Qualified Opinion**

We have audited the accompanying consolidated and separate financial statements of Centurion Public Limited Company (the "Company") and its Subsidiaries (together with the "Group"), which comprise the consolidated and separate statement of financial position as at 31<sup>st</sup> December 2021, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the consolidated and separate financial statements, comprising a summary of significant accounting policies and other explanatory information set out on pages 5 to 50.

In our opinion, except for the effects of the matter described in the Basis for *Qualified Opinion* section of our report, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at 31<sup>st</sup> December 2021, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

**Basis for Qualified Opinion**

As disclosed in Note 14 to the Group financial statements, the carrying value of goodwill is amounting to MVR.173,684,747/- as at 31<sup>st</sup> December 2021. In line with IAS 36- impairment of assets, management is required to assess annually whether goodwill arose on acquisition of subsidiaries is potentially impaired. However, as at the date of our report, the management is yet to complete their assessment of impairment to estimate whether any adjustment is required to the carrying amounts of the goodwill recorded in the Group financial statements as at 31<sup>st</sup> December 2021. As a result, we were unable to determine whether any adjustment relating to the carrying value of Goodwill is required in the Group financial statements.

As disclosed in Note 15 to the Company financial statements, the carrying value of investments in subsidiaries is amounting to MVR. 180,459,677/- as at 31<sup>st</sup> December 2021. In line with IAS 36- impairment of assets, when the objective evidence of impairment exists, the Company should perform an impairment assessment over its net investment in such companies by comparing its' carrying amount to the recoverable amount. However, such assessment is yet to perform by the Company as at 31<sup>st</sup> December 2021. As a result, we were unable to determine whether any adjustment relating to the carrying value of investment in subsidiaries is required in the separate statement of financial statements.

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

## **Key Audit Matters**

Except for the matter described in the Basis for Qualified Opinion section in the Company and the consolidated financial statements, we have determined that there are no other key audit matters to communicate in our report.

## **Other Information**

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

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board. The Board of Directors are responsible for overseeing the Group's and Company's Financial Reporting process. As described in the Basis for Qualified Opinion sections above, both Group and Company should have performed the impairment assessment of goodwill and investment in subsidiaries in respect of the consolidated and separate financial statements. We have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the annual report affected by the failure to impairment assessment.

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

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

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

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

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

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

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

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

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

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





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

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

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

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

**Chartered Accountants**

18<sup>th</sup> June 2022  
Male'

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

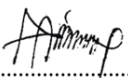
FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER	Note	GROUP		COMPANY	
		Year Ended 2021 MVR	Year Ended 2020 MVR	Year Ended 2021 MVR	Year Ended 2020 MVR
<b>Revenue</b>	<b>6</b>	107,343,128	89,025,865	-	-
Cost of Sales		(76,438,800)	(66,843,816)	-	-
<b>Gross Profit</b>		30,904,328	22,182,049	-	-
Gain on Bargain Purchase	<b>33</b>	608,107	-	-	-
Other Income	<b>7</b>	1,394,874	2,124,999	75,000	-
Administrative Expenses		(27,495,749)	(23,503,558)	(862,173)	(894,575)
Sales and Marketing Expenses		(360,198)	(200,367)	-	-
Impairment (Loss) / Reversal on Trade Receivables and Related Parties	<b>17.2</b>	(1,051,363)	390,202	-	-
<b>Profit / (Loss) from Operating Activities</b>		3,999,999	993,325	(787,173)	(894,575)
Finance Income	<b>8</b>	3,322,764	1,706,676	-	-
Finance Costs	<b>8</b>	(3,454,018)	(2,860,134)	-	-
Net Finance cost		(131,254)	(1,153,458)	-	-
<b>Profit / (Loss) before Tax</b>	<b>9</b>	3,868,745	(160,133)	(787,173)	(894,575)
Tax (Expense) / Benefit	<b>10</b>	(1,278,536)	179,475	-	-
<b>Profit / (Loss) (Total Comprehensive Income) for the Year</b>		<u>2,590,209</u>	<u>19,342</u>	<u>(787,173)</u>	<u>(894,575)</u>
<b>Profit / (Loss) Attributable to:</b>					
Owners of the Company		2,990,159	33,595		
Non-controlling Interest		(399,950)	(14,253)		
		<u>2,590,209</u>	<u>19,342</u>		
<b>Earnings Per Share (EPS) / Loss per Share (LPS)</b>					
Basic and Diluted Earnings per Share / (Loss per Share)	<b>11</b>	0.42	0.00	(0.11)	(0.13)
<b>Dividend per Share (DPS)</b>	<b>11.1</b>	-	-	-	-

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Group and the Company set out on pages 10 to 50. The Report of the Independent Auditors is given on pages 1 to 4.

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

AS AT 31 <sup>ST</sup> DECEMBER		GROUP		COMPANY	
		2021	2020	2021	2020
	Note	MVR	MVR	MVR	MVR
ASSETS					
Non-current Assets					
Property, Plant and Equipment	12	10,931,253	10,345,807	3,689,266	3,885,949
Right-of-Use Assets	13	18,370,785	16,863,009	-	-
Intangible Assets and Goodwill	14	173,961,360	174,081,150	3,644	8,314
Investment in Subsidiaries	15	-	-	180,459,677	177,164,898
Deferred Tax Asset	10.3	2,246,444	2,448,287	-	-
Total Non-current Assets		205,509,842	203,738,253	184,152,587	181,059,161
Current Assets					
Inventories	16	2,565,306	-	-	-
Trade and Other Receivables	17	16,449,378	12,799,468	251,990	251,716
Current Tax Asset		86,958	418,863	-	-
Amounts due from Related Parties	18	25,567,442	11,976,304	174,321	157,976
Cash and Cash Equivalents	19	3,526,496	2,840,114	5,802	71,108
Total Current Assets		48,195,580	28,034,749	432,113	480,800
Total Assets		253,705,422	231,773,002	184,584,700	181,539,961
EQUITY AND LIABILITIES					
Equity					
Share Capital	20	178,433,770	178,433,770	178,433,770	178,433,770
Accumulated Losses		(2,633,941)	(5,624,100)	(10,306,002)	(9,518,829)
Equity Attributable to Owners of the Company		175,799,829	172,809,670	168,127,768	168,914,941
Non-controlling Interest		1,344,616	71,901	-	-
Total Equity		177,144,445	172,881,571	168,127,768	168,914,941
Non-current Liabilities					
Loans and Borrowings	21.2	2,302,302	2,061,844	-	-
Lease Liability	22	13,799,082	11,646,378	-	-
Trade and Other Payables	23	11,622,089	13,537,245	-	-
Deferred Tax Liability	10.3	360,398	209,107	-	-
Total Non-current Liabilities		28,083,871	27,454,574	-	-
Current Liabilities					
Loans and Borrowings	21.3	3,102,799	1,398,831	-	-
Lease Liability	22	5,398,905	4,133,678	-	-
Trade and Other Payables	23	31,740,572	22,973,957	2,674,395	2,672,523
Amounts due to Related Parties	24	7,198,104	2,492,067	13,782,537	9,952,497
Current Tax Liabilities		1,036,726	-	-	-
Bank Overdraft	25	-	438,324	-	-
Total Current Liabilities		48,477,106	31,436,857	16,456,932	12,625,020
Total Liabilities		76,560,977	58,891,431	16,456,932	12,625,020
Total Equity and Liabilities		253,705,422	231,773,002	184,584,700	181,539,961

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Group and the Company set out on pages 10 to 50. The Report of the Independent Auditors is given on pages 1 to 4.

  
 .....  
 Mr. Mohamed Aneel  
 Chief Financial Officer

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

**Name of the Director**

Mr. Aimon Jameel

Mr. Ahmed Maumoon

18<sup>th</sup> June 2022

**Signature**  
  
 .....  
  
 .....

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

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021 - GROUP**

	Equity Attributable to Owners of the Parent Company			Non Controlling Interest	Total Equity
	Share Capital	(Accumulated Losses) / Retained Earnings	Total Equity		
	MVR	MVR	MVR	MVR	MVR
Balance as at 31 <sup>st</sup> January 2020	178,433,770	(5,657,695)	172,776,075	86,154	172,862,229
Profit (Total Comprehensive Income) for the Year	-	33,595	33,595	(14,253)	19,342
Balance as at 31 <sup>st</sup> December 2020	178,433,770	(5,624,100)	172,809,670	71,901	172,881,571
Balance as at 1 <sup>st</sup> January 2021	178,433,770	(5,624,100)	172,809,670	71,901	172,881,571
<b><u>Changes in Ownership Interests</u></b>					
Acquisition of subsidiary with NCI (Note 33)	-	-	-	1,672,665	1,672,665
<b><u>Total Comprehensive Income for the Period</u></b>					
Profit (Total Comprehensive Income) for the Year	-	2,990,159	2,990,159	(399,950)	2,590,209
Balance as at 31 <sup>st</sup> December 2021	178,433,770	(2,633,941)	175,799,829	1,344,616	177,144,445

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Group and the Company set out on pages 10 to 50. The Report of the Independent Auditors is given on pages 1 to 4.

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

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021 - COMPANY**

	<b>Share Capital</b>	<b>Accumulated Losses</b>	<b>Total Equity</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Balance as at 1 <sup>st</sup> January 2020	178,433,770	(8,624,254)	169,809,516
Loss (Total Comprehensive Income) for the Year	-	(894,575)	(894,575)
Balance as at 31 <sup>st</sup> December 2020	178,433,770	(9,518,829)	168,914,941
Balance as at 1 <sup>st</sup> January 2021	178,433,770	(9,518,829)	168,914,941
Loss (Total Comprehensive Income) for the Year	-	(787,173)	(787,173)
Balance as at 31 <sup>st</sup> December 2021	178,433,770	(10,306,002)	168,127,768

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Group and the Company set out on pages 10 to 50. The Report of the Independent Auditors is given on pages 1 to 4.



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

FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER		GROUP		COMPANY	
		2021 MVR	2020 MVR	2021 MVR	2020 MVR
	Note				
<b>Cash Flows from Operating Activities</b>					
Profit / (loss) before tax		3,868,745	(160,133)	(787,173)	(894,575)
<i>Adjustments for;</i>					
Gain on De-recognition of Leases	7	(6,760)	(1,397,347)	-	-
Written-down of Trade Payable	7	(1,060)	-	-	-
Gain on Bargain Purchase	33	(608,107)	-	-	-
Interest Expense	8	3,454,018	2,860,134	-	-
Depreciation of Property, Plant and Equipment	12	1,569,823	1,046,317	196,683	33,447
Depreciation of Right-of-Use Assets	13	5,432,546	5,014,417	-	-
Amortization of Intangible Assets	14	237,383	184,755	4,670	4,670
Provision/(Reversed) for Impairment Loss on Trade Receivable and Related Parties	17.2	1,051,363	(390,202)	-	-
<b>Operating Profit / (Loss) before Working Capital Changes</b>		<b>14,997,951</b>	<b>7,157,941</b>	<b>(585,820)</b>	<b>(856,458)</b>
<b>Changes In:</b>					
Inventories		320,770	-	-	-
Trade and Other Receivables		(1,604,446)	(1,564,973)	(274)	(5,089)
Amounts due from Related Parties		69,765	(166,707)	(16,345)	(141,923)
Amounts due to Related Parties		(1,609,967)	1,362,393	535,261	1,546,209
Trade and Other Payables		(949,504)	(1,173,952)	8,786	12,090
<b>Cash Flows generated from / (used in) Operating Activities</b>		<b>11,224,569</b>	<b>5,614,702</b>	<b>(58,392)</b>	<b>554,829</b>
Interest paid		(970,625)	(83,224)	-	-
Tax Paid		(78,029)	(1,187,926)	-	-
<b>Net Cash generated from / (used in) Operating Activities</b>		<b>10,175,915</b>	<b>4,343,552</b>	<b>(58,392)</b>	<b>554,829</b>
<b>Cash Flows from Investing Activities</b>					
Acquisition of Subsidiary	33	12,770	-	-	-
Acquisition of Property, Plant and Equipment	12	(948,517)	(534,146)	-	-
Purchase of Intangible Assets	14	(83,534)	(143,785)	-	-
Dividend Paid		(6,914)	(496,238)	(6,914)	(496,238)
<b>Net Cash used in Investing Activities</b>		<b>(1,026,195)</b>	<b>(1,174,169)</b>	<b>(6,914)</b>	<b>(496,238)</b>
<b>Cash Flows from Financing Activities</b>					
Loan obtained during the Year	21	725,000	3,360,071	-	-
Loan repayments during the Year	21	(1,683,731)	(289,477)	-	-
Lease installments paid during the Year	22	(7,066,283)	(6,039,762)	-	-
<b>Net Cash used in Financing Activities</b>		<b>(8,025,014)</b>	<b>(2,969,168)</b>	<b>-</b>	<b>-</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>		<b>1,124,706</b>	<b>200,215</b>	<b>(65,306)</b>	<b>58,591</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>		<b>2,401,790</b>	<b>2,201,575</b>	<b>71,108</b>	<b>12,517</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	19	<b>3,526,496</b>	<b>2,401,790</b>	<b>5,802</b>	<b>71,108</b>

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Group and the Company set out on pages 10 to 50. The Report of the Independent Auditors is given on pages 1 to 4.

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

**1. REPORTING ENTITY**

**1.1 Parent Company**

Centurion Public Limited Company (the “Company”) is a Company incorporated and domiciled in the Republic of Maldives since 04<sup>th</sup> August 2016 as a public limited liability company under the Companies Act No. 10 of 1996, with its registered office M.Heenavill, 2<sup>nd</sup> floor, Buruzu magu, Male’, Republic of Maldives. The consolidated financial statements of the Company as at and for the year ended 31<sup>st</sup> December 2021 comprise the Company and its subsidiaries (together referred as the “Group” and individually as “Group entities”).

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

The Financial Statement of the Company/Group has been prepared for the year ended 31<sup>st</sup> December 2021.

**1.2 Subsidiaries**

**Centurion Transport Solutions Private Limited**

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

**Equatorial Lines Private Limited**

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

**Rohoffe Private Limited**

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

**MWT Logistic International Private Limited**

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

**S-EMS Maldives Private Limited**

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

**Albereich International Private Limited**

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

**Centurion Air Private Limited**

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

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

**1. REPORTING ENTITY (CONTINUED)**

**1.2 Subsidiaries (Continued)**

**Cronus Logistics Private Limited**

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

**Multi Aero Maldives Private Limited**

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

**Spectra Private Limited**

The Company is engaged in the business of providing trade and management service. Its parent and ultimate holding company is Centurion PLC with 70% of shareholding. The group has acquired this entity as at 1<sup>st</sup> January 2021.

**2. BASIS OF PREPARATION**

**(a) Statement of Compliance**

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

**(b) Basis of Measurement**

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

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

**(c) Going Concern Basis of Accounting**

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

**(d) Functional and Presentation Currency**

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

**(e) Use of Estimates and Judgements**

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

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

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

**(e) Use of Estimates and Judgements (Continued)**

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

**Coronavirus (COVID-19) pandemic**

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

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

**3. SIGNIFICANT ACCOUNTING POLICIES**

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

**3.1 Transactions in Foreign Currencies**

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

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

**3.2 Basis of Consolidation**

**(a) Business Combination**

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see (a)). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

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

**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.2 Basis of Consolidation (Continued)**

**(a) Business Combination (Continued)**

The Group has an option to apply a ‘concentration test’ that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred 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 a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

**(b) Subsidiaries**

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

The consolidated financial statements comprise the financial statements of the Centurion Public Limited Company and its subsidiaries, other than Spectra Private Limited acquired on 1<sup>st</sup> January 2021.

**(c) Non-controlling Interest**

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

**(d) Loss of Control**

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

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

**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.2 Basis of Consolidation (Continued)**

**(e) Transactions Eliminated on Consolidation**

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

**3.3 Financial Instruments**

**i. Recognition and Initial Measurement**

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

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

**ii. Classification and Subsequent Measurement**

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

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

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

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

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

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

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



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

**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.3 Financial Instruments (Continued)**

**ii. Classification and Subsequent Measurement (Continued)**

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

**Financial Assets – Business Model Assessment**

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 the management.

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

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

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

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

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

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

**Financial Assets – Subsequent Measurement and Gains and Losses**

**Financial Assets at Amortized Cost**

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

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

**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.3 Financial Instruments (Continued)**

**ii. Classification and Subsequent Measurement (Continued)**

**Financial Liabilities – Classification, Subsequent Measurement and Gains and Losses**

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

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

**iii. Derecognition**

**Financial Assets**

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

**Financial Liabilities**

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

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

**3.4 Share Capital**

**Ordinary Shares**

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

**3.5 Property, Plant and Equipment**

**(i) Recognition and Measurement**

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

Freehold wooden marine vessels are valued at its fair value less accumulated depreciation. The Group reassess the fair value every three-year period.

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

**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.5 Property, Plant and Equipment (Continued)**

**(i) Recognition and Measurement (Continued)**

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

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

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

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

**(ii) Subsequent Costs**

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

**(iii) Depreciation**

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

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

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

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

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

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

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

**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.6 Intangible Assets and Goodwill**

**(i) Recognition and Measurement**

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

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

**(ii) Subsequent Expenditure**

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

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

The estimated useful lives are as follows:

- |                     |               |
|---------------------|---------------|
| ▪ Computer Software | Over 03 Years |
|---------------------|---------------|

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

**3.7 Inventories**

Inventories have been valued at the lower of cost and net realizable value. The cost is generally determined by reference to first in first out principal and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

**3.8 Impairment**

**a) Non-derivative Financial Assets**

**Financial Instruments and Contract Assets**

The Group recognizes loss allowances for ECLs on:

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

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

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

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.8 Impairment (Continued)**

**a) Non-derivative Financial Assets (Continued)**

**Financial Instruments and Contract Assets (Continued)**

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

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

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

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

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

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

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

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

**(i) Measurement of ECLs**

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

**(ii) Credit-impaired financial assets**

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

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.8 Impairment (Continued)**

**a) Non-derivative Financial Assets (Continued)**

**Financial Instruments and Contract Assets (Continued)**

**(ii) Credit-impaired financial assets (Continued)**

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

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

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

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

**(iv) Write-off**

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

**b) Non-financial Assets**

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

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

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

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



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**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.8 Impairment (Continued)**

**b) Non-financial Assets (Continued)**

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

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

**3.9 Employee Benefits**

**(i) Short-term Employee Benefits**

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

**(ii) Defined Contribution Plans**

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

**3.10 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.

**3.11 Revenue**

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

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

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

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.11 Revenue (Continued)**

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

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

Revenue from the other sources is recognized in the profit or loss when agreements in which the entity transfers to the buyer control and the significant risks and rewards of ownership of goods in its entirety a completion, upon or after delivery.

**3.12 Tax Expense**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI. The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 'Provision, Contingent Liabilities and Contingent Assets'.

**Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

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 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.

**3.13 Expenses**

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

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

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.14 Leases**

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

**i) As a lessee**

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

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

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

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

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

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

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

fixed payments, including in-substance fixed payments;

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

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.14 Leases (Continued)**

**i) As a lessee (Continued)**

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

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

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

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

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

**ii) As a lessor**

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

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

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

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

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

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.15 Finance Costs and Finance Income**

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

**3.16 Determination of Fair Values**

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

**Level – 01**

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

**Level – 02**

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

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

**Level – 03**

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

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**4. New Standard and Interpretations not yet adopted by the Group**

A number of new standards are effective for annual periods beginning after 1<sup>st</sup> January 2021 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements. The following amended standards and interpretations are not expected to have a significant impact on the Group's financial statements.

- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16).
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16).
- Reference to Conceptual Framework (Amendments to IFRS 3).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- Definition of Accounting Estimates (Amendments to IAS 8)
- Onerous Contract – Cost of fulfilling a contract (Amendment to IAS 37).
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements).
- Annual Improvements to IFRS Standards 2018 - 2020



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**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**5 OPERATING SEGMENTS**

**A. Basis of segmentation**

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

The following summary describe the operations of each reportable segment.

<b>Reportable segments</b>	<b>Operations</b>
Freight and Custom Clearance	Shipping services, freight management, logistic utilization
Ship Ownership	Ship ownership and management services
Ship and Jet Handling	Providing husbandry services to ship and jet

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

**B. Information about reportable segments**

**For the Year Ended 31<sup>st</sup> December 2021**

	<b>Reportable Segments</b>				<b>Total</b>
	<b>Freight and Custom Clearance</b>	<b>Ship Ownership</b>	<b>Ship and Jet Handling</b>	<b>Unallocated</b>	
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Segment Revenue	47,108,045	18,583,600	26,914,524	14,736,959	107,343,128
Segment Loss before Tax	1,258,439	496,440	718,992	1,394,874	3,868,745
Finance Income	2,114,611	-	1,208,153	-	3,322,764
Finance Costs	(43,782)	(3,385,220)	(25,014)	-	(3,454,018)
Income Tax	-	-	-	(1,278,536)	(1,278,536)
Segment Assets	39,422,441	15,551,716	22,523,462	176,207,804	253,705,422
Segment Liabilities	38,762,648	15,291,433	22,146,498	360,398	76,560,977

**For the Year Ended 31<sup>st</sup> December 2020**

	<b>Reportable Segments</b>				<b>Total</b>
	<b>Freight and Custom Clearance</b>	<b>Ship Ownership</b>	<b>Ship and Jet Handling</b>	<b>Unallocated</b>	
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Segment Revenue	63,322,202	14,096,775	10,554,622	1,052,266	89,025,865
Segment Profit before Tax	(1,662,170)	(370,032)	(252,930)	2,124,999	(160,133)
Finance Income	1,481,273	-	225,403	-	1,706,676
Finance Costs	(62,875)	(2,787,691)	(9,568)	-	(2,860,134)
Income Tax	-	-	-	179,475	179,475
Segment Assets	40,183,333	8,945,606	6,114,626	176,529,437	231,773,002
Segment Liabilities	42,684,635	9,502,443	6,495,245	209,107	58,891,431

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<b>6</b>	<b>REVENUE</b>	<b>GROUP</b>		<b>COMPANY</b>	
		<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>
		<b>31-Dec-2021</b>	<b>31-Dec-2020</b>	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>
		<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
	Freight Revenue - Sea & Air	37,987,208	54,576,505	-	-
	Customs Clearance Revenue - Sea & Air	9,120,837	8,745,699	-	-
	Dhoni Supply Revenue	18,583,600	14,096,775	-	-
	Ship Handling Revenue	11,587,448	9,635,626	-	-
	Jet Handling Income	15,327,076	918,995	-	-
	Cargo Handling Income	-	9,495	-	-
	Bond Income & Goods Transportation Income	3,640,289	1,042,770	-	-
	Air Ticketing Income	3,286,568	-	-	-
	Restaurant Management Income	667,210	-	-	-
	Hospitality Management Income	951,143	-	-	-
	Home Improvement & Finishing Product	4,908,762	-	-	-
	Other Revenue	1,282,987	-	-	-
		<u>107,343,128</u>	<u>89,025,865</u>	<u>-</u>	<u>-</u>
<b>7</b>	<b>OTHER INCOME</b>	<b>GROUP</b>		<b>COMPANY</b>	
		<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>
		<b>31-Dec-2021</b>	<b>31-Dec-2020</b>	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>
		<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
	Written-down of Trade Payable	1,060	-	-	-
	Gain on Derecognition of Lease Liability	6,760	1,397,347	-	-
	Commission Income	143,596	-	-	-
	Rental Income	788,294	-	-	-
	Miscellaneous Income	455,164	727,652	75,000	-
		<u>1,394,874</u>	<u>2,124,999</u>	<u>75,000</u>	<u>-</u>
<b>8</b>	<b>NET FINANCE COST</b>	<b>GROUP</b>		<b>COMPANY</b>	
		<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>
		<b>31-Dec-2021</b>	<b>31-Dec-2020</b>	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>
		<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
	<b>Finance Income</b>				
	Foreign Exchange Gain	3,322,764	1,706,676	-	-
	<b>Finance Costs</b>				
	Interest Expense	(970,625)	(83,224)	-	-
	Interest on Lease Liabilities	(2,483,393)	(2,776,910)	-	-
		<u>(3,454,018)</u>	<u>(2,860,134)</u>	<u>-</u>	<u>-</u>
	<b>Net Finance Cost</b>	<u>(131,254)</u>	<u>(1,153,458)</u>	<u>-</u>	<u>-</u>
<b>9</b>	<b>PROFIT / (LOSS) BEFORE TAX</b>	<b>GROUP</b>		<b>COMPANY</b>	
		<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>
		<b>31-Dec-2021</b>	<b>31-Dec-2020</b>	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>
		<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
	<i>Is stated after charging all the expenses including the followings;</i>				
	Depreciation of Property, Plant and Equipment ( <b>Note 12</b> )	1,569,823	1,046,317	196,683	33,447
	Depreciation of Right of Use Assets ( <b>Note 13</b> )	5,432,546	5,014,417	-	-
	Amortization of Intangible Assets ( <b>Note 14</b> )	237,383	184,755	4,670	4,670
	Directors Remuneration	1,715,336	1,706,816	275,000	278,000
	Rent Expense	1,144,800	443,371	-	-
	Impairment of CWIP ( <b>Note 12.1</b> )	-	764,853	-	-
	Personal Expense ( <b>Note 9.1</b> )	12,640,551	9,617,731	18,000	4,500

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**9 LOSS BEFORE TAX (CONTINUED)**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>
	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
<b>9.1 Personal Expense</b>				
Salaries and Wages	12,340,800	9,228,441	18,000	4,500
Staff Welfare	75,553	43,364	-	-
Pension Contribution	224,198	345,926	-	-
	<u>12,640,551</u>	<u>9,617,731</u>	<u>18,000</u>	<u>4,500</u>

**10 TAX EXPENSE**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>
	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Current Tax expense (Note 10.1)	895,248	138,768	-	-
Under Provision in respect of Previous Years	30,153	148,653	-	-
Recognition / (Reversed) of Deferred Tax Asset (Note 10.3)	201,844	(459,422)	-	-
(Reversed) / Recognition of Deferred Tax Liability (Note 10.3)	151,291	(7,474)	-	-
	<u>1,278,536</u>	<u>(179,475)</u>	<u>-</u>	<u>-</u>

From 1<sup>st</sup> January 2020, in accordance with the provisions of the Income Tax Act No. 25 of 2019 and the regulation thereto, the entities in the Group are liable for Income Tax at the rate of 15% on its taxable profits.

**10.1 Reconciliation between Accounting Loss and Taxable Income;**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>
	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Profit / (loss) before Tax	3,868,745	(160,133)	(787,173)	(894,575)
Losses from Subsidiaries (Note 10.1.1)	3,671,331	2,126,910	-	-
Aggregate Disallowable Items	5,304,948	122,074	471,353	324,598
Aggregate Allowable Items	(5,580,597)	(91,948)	(471,400)	(291,998)
Claim against Accumulated Tax Losses (Note 10.2)	(1,096,106)	(1,009,282)	-	-
Tax Free Allowance	(200,000)	(62,500)	-	-
Total Taxable Income / (Loss)	<u>5,968,321</u>	<u>925,121</u>	<u>(787,220)</u>	<u>(861,975)</u>
Income Tax @ 15%	<u>895,248</u>	<u>138,768</u>	<u>-</u>	<u>-</u>

**10.1.1** This balance includes taxable loss generated from Centurion Public Limited, S-EMS Maldives Private Limited and Spectra Private Limited.

**10.2 Accumulated Tax Losses**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Balance as at 1 <sup>st</sup> January	14,790,041	11,317,215	4,217,652	3,355,677
Acquisition of Subsidiary	13,330,609	-	-	-
Adjustment to the tax loss brought forward	(1,041,677)	-	-	-
Loss for the Year	3,279,217	4,482,108	787,220	861,975
Claim against Accumulated Tax Losses	(1,096,106)	(1,009,282)	-	-
Balance as at 31 <sup>st</sup> December	<u>29,262,084</u>	<u>14,790,041</u>	<u>5,004,872</u>	<u>4,217,652</u>

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**10 TAX EXPENSE (CONTINUED)**

**10.3 Deferred Tax Assets**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Balance as at 1 <sup>st</sup> January	2,448,287	1,988,865	-	-
(Reversed) / Recognised during the Year	(201,844)	459,422	-	-
Balance as at 31 <sup>st</sup> December	2,246,443	2,448,287	-	-

**Deferred Tax Liability**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>	<b>31-Dec-2021</b>	<b>31-Dec-2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Balance as at 1 <sup>st</sup> January	209,107	216,581	-	-
Recognized / (Reversed) during the Year	151,291	(7,474)	-	-
Balance as at 31 <sup>st</sup> December	360,398	209,107	-	-

**10.4 Deferred Tax Assets of the Group is attributable to the following;**

	<b>31-Dec-21</b>		<b>31-Dec-20</b>	
	<b>Temporary Difference</b>	<b>Tax Effect</b>	<b>Temporary Difference</b>	<b>Tax Effect</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Accumulated Tax Losses	8,989,166	1,348,375	10,572,389	1,585,858
Property, Plant and Equipment	65,510	9,827	36,437	5,466
Intangible Assets	2,369	355	-	-
Provision for Impairment Loss on Trade Recievable	5,919,243	887,886	5,713,077	856,963
	14,976,288	2,246,443	16,321,903	2,448,287

**10.5 Deferred Tax Liability of the Group is attributable to the following;**

	<b>31-Dec-21</b>		<b>31-Dec-20</b>	
	<b>Temporary Difference</b>	<b>Tax Effect</b>	<b>Temporary Difference</b>	<b>Tax Effect</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Property, Plant and Equipment	2,402,655	360,398	1,384,790	207,719
Intangible Assets	-	-	9,262	1,388
	2,402,655	360,398	1,394,052	209,107

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**10 TAX EXPENSE (CONTINUED)**

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

	<b>31-Dec-21</b>		<b>31-Dec-20</b>	
	<b>Temporary Difference</b>	<b>Tax Effect</b>	<b>Temporary Difference</b>	<b>Tax Effect</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Property, Plant and Equipment	965,934	144,890	33,633	5,045
Accumulated Tax Losses	20,272,918	3,040,938	4,217,652	632,648
	<u>21,238,852</u>	<u>3,185,828</u>	<u>4,251,285</u>	<u>637,693</u>

**Unrecognised Deferred Tax Assets of the Company is attributable to the following;**

	<b>31-Dec-21</b>		<b>31-Dec-20</b>	
	<b>Temporary Difference</b>	<b>Tax Effect</b>	<b>Temporary Difference</b>	<b>Tax Effect</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Property, Plant and Equipment	33,586	5,038	33,633	5,045
Accumulated Tax Losses	5,004,872	750,731	4,217,652	632,648
	<u>5,038,458</u>	<u>755,769</u>	<u>4,251,285</u>	<u>637,693</u>

**Unrecognised Deferred Tax Assets - Spectra Private Limited**

	<b>31-Dec-21</b>		<b>31-Dec-20</b>	
	<b>Temporary Difference</b>	<b>Tax Effect</b>	<b>Temporary Difference</b>	<b>Tax Effect</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Property, Plant and Equipment	932,348	139,852	-	-
Accumulated Tax Losses	15,268,046	2,290,207	-	-
	<u>16,200,394</u>	<u>2,430,059</u>	<u>-</u>	<u>-</u>

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

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

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

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Amounts used as the Numerator:</b>				
Profit / (Loss) for the Year Attributable to Equity Holders of the Group / Company (MVR)	2,990,159	33,595	(787,173)	(894,575)
<b>Number of Ordinary Shares used as the Denominator:</b>				
Weighted Average Number of Ordinary Shares (Refer Note 21.1)	7,137,351	7,137,351	7,137,351	7,137,351
<b>Earning / (Loss) per Ordinary Share (MVR)</b>	<u>0.42</u>	<u>0.00</u>	<u>(0.11)</u>	<u>(0.13)</u>
<b>11.1 DIVIDEND PER SHARE (DPS)</b>				
	<b>GROUP</b>	<b>COMPANY</b>	<b>GROUP</b>	<b>COMPANY</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Gross Dividend for the Year (MVR)	-	-	-	-
Weighted Average Number of Ordinary Shares (Refer Note 21.1)	7,137,351	7,137,351	7,137,351	7,137,351
<b>Dividend per Ordinary Share (MVR)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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**12 PROPERTY, PLANT AND EQUIPMENT - GROUP**

	Leasehold Improvements	Plant and Equipment	Office Equipment	Furniture and Fittings	Motor Vehicles	Freehold Marine Vessel	Machineries and Equipment	Total 2021	Total 2020
	MVR	MVR	MVR	MVR	MVR	MVR	MVR	MVR	MVR
<b>Cost / Revalued Amount</b>									
Balance as at 1 <sup>st</sup> January	-	4,670,870	1,714,761	329,182	452,575	10,860,344	16,803	18,044,535	13,022,429
Acquisition of subsidiary	1,542,739	-	785,987	663,661	87,022	-	809,797	3,889,206	-
Additions during the Year	-	244,180	115,791	29,342	200,000	-	8,500	597,813	442,569
Adjustment due to prior year error	-	-	-	-	-	(100,000)	-	(100,000)	-
Transfer from capital work in progress	-	-	-	-	-	-	-	-	4,579,537
Balance as at 31 <sup>st</sup> December	1,542,739	4,915,050	2,616,539	1,022,185	739,597	10,760,344	835,100	22,431,554	18,044,535
<b>Accumulated Depreciation</b>									
Balance as at 1 <sup>st</sup> January	-	3,623,685	1,258,367	249,248	211,695	2,349,203	6,530	7,698,728	6,652,411
Acquisition of subsidiary	873,270	-	636,545	411,630	35,439	-	625,570	2,582,454	-
Charged for the Year	112,177	352,158	300,352	116,784	65,994	530,650	91,708	1,569,823	1,046,317
Balance as at 31 <sup>st</sup> December	985,447	3,975,843	2,195,264	777,662	313,128	2,879,853	723,808	11,851,005	7,698,728
<b>Carrying Values</b>									
Balance as at 31 <sup>st</sup> December 2021	557,292	939,207	421,275	244,523	426,469	7,880,491	111,292	10,580,549	-
Balance as at 31 <sup>st</sup> December 2020	-	1,047,185	456,394	79,934	240,880	8,511,141	10,273	-	10,345,807
Capital Work In Progress (Note 12.1)								350,704	-
<b>Capital Work In Progress</b>								10,931,253	10,345,807
Balance as at 1 <sup>st</sup> January								764,853	5,274,401
Additions during the Year (Note 12.2)								350,704	91,577
Transferred to Property, Plant and Equipment								-	(4,579,537)
Transferred to Intangible Assets								-	(21,588)
Provisions for impairment								1,115,557	764,853
Balance as at 31 <sup>st</sup> December								(764,853)	(764,853)
								350,704	-
<b>12.2</b>	Capital work in progress is represented the cost incurred for the lease hold improvements relating to Commons Coffee restaurant by Spectra Private Limited.								
<b>12.3</b>	Capital working in progress was represented in the construction of warehouse project in Male' Industrial Zone - Gulhithalhu Island and a Reefer Container. However, the Company has capitalized the work in progress during the year of 2020.								
<b>12.4</b>	Freehold Marine Vessel is mortgaged against the loans and borrowings obtained by the Centurion Transport Solutions Private Limited as disclosed under the Note 22.4 to the financial statements.								
<b>12.5</b>	The Group has not identified material level of fully depreciated assets as at 31 <sup>st</sup> December 2021.								



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**12 PROPERTY, PLANT AND EQUIPMENT - GROUP (CONTINUED)**

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

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

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

	<b>Cost MVR</b>	<b>Accumulated Depreciation MVR</b>	<b>Net Carrying Value MVR</b>
Wooden Marine Vessel	2,232,814	811,138	1,421,676

**PROPERTY, PLANT AND EQUIPMENT - COMPANY**

	<b>Office Equipment MVR</b>	<b>Marine Vessel MVR</b>	<b>Total 2021 MVR</b>	<b>Total 2020 MVR</b>
<b>Cost</b>				
Balance as at 1 <sup>st</sup> January	4,000	3,917,662	3,921,662	4,000
Transferred from Capital Work In Progress	-	-	-	3,917,662
Balance as at 31 <sup>st</sup> December	4,000	3,917,662	3,921,662	3,921,662
<b>Accumulated Depreciation</b>				
Balance as at 1 <sup>st</sup> January	3,066	32,647	35,713	2,266
Charged for the Year	800	195,883	196,683	33,447
Balance as at 31 <sup>st</sup> December	3,866	228,530	232,396	35,713
<b>Carrying Values</b>				
Balance as at 31 <sup>st</sup> December 2021	134	3,689,132	3,689,266	
Balance as at 31 <sup>st</sup> December 2020	934	3,885,015		3,885,949
Capital Work In Progress ( <b>Note 12.7</b> )			-	-
			3,689,266	3,885,949

**12.7 Capital Work In Progress**

Balance as at 1 <sup>st</sup> January	-	3,917,662
Transferred to Property, Plant and Equipment	-	(3,917,662)
Balance as at 31 <sup>st</sup> December	-	-

**12.8** Capital Work in Progress was represented the cost incurred by the Company for the construction of the Unicorn Dhoni. However, this balance has been capitalised during the year ended 31<sup>st</sup> December 2020.

**13 RIGHT-OF-USE ASSETS - GROUP**

	<b>Building MVR</b>	<b>Leasehold Marine Vessel MVR</b>	<b>2021 MVR</b>	<b>2020 MVR</b>
<b>Cost</b>				
Balance as at 1 <sup>st</sup> January	5,385,702	23,384,012	28,769,714	54,242,335
Acquisition of subsidiary	11,169,792	-	11,169,792	-
Additions during the year	-	395,490	395,490	-
Adjustment due to modification	-	(856,754)	(856,754)	(3,331,471)
Derecognised during the Year	-	(408,463)	(408,463)	(22,141,150)
Balance as at 31 <sup>st</sup> December	16,555,494	22,514,285	39,069,779	28,769,714
<b>Accumulated Amortization</b>				
Adjusted balance as at 1 <sup>st</sup> January	2,608,562	9,298,143	11,906,705	8,911,167
Acquisition of subsidiary	3,738,476	-	3,738,476	-
Depreciation charge during the year	2,978,252	2,454,294	5,432,546	5,014,417
Derecognised during the Year	-	(378,733)	(378,733)	(2,018,879)
Balance as at 31 <sup>st</sup> December	9,325,290	11,373,704	20,698,994	11,906,705
<b>Net Carrying Value</b>	<b>7,230,204</b>	<b>11,140,581</b>	<b>18,370,785</b>	<b>16,863,009</b>

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**14 INTANGIBLE ASSETS AND GOODWILL - GROUP**

	<b>Goodwill</b>	<b>Computer Software</b>	<b>Total</b>	<b>Total</b>
	<b>MVR</b>	<b>MVR</b>	<b>2021</b>	<b>2020</b>
			<b>MVR</b>	<b>MVR</b>
<b>Cost</b>				
Balance as at 1 <sup>st</sup> January	173,684,747	824,670	174,509,417	174,143,473
Acquisition of subsidiary	-	117,578	117,578	-
Additions during the Year	-	83,534	83,534	137,124
Assets Transferred from Capital Work in Progress	-	-	-	228,820
Balance as at 31 <sup>st</sup> December	173,684,747	1,025,782	174,710,529	174,509,417
<b>Accumulated Amortization</b>				
Balance as at 1 <sup>st</sup> January	-	428,267	428,267	243,512
Acquisition of subsidiary	-	83,519	83,519	-
Amortized during the Year	-	237,383	237,383	184,755
Balance as at 31 <sup>st</sup> December	-	749,169	749,169	428,267
<b>Capital Work In Progress</b>				
Balance as at 1 <sup>st</sup> January	-	-	-	207,652
Additions during the Year	-	-	-	6,661
Transferred to intangible assets	-	-	-	(207,232)
Write off during the year	-	-	-	(7,081)
Balance as at 31 <sup>st</sup> December	-	-	-	-
<b>Carrying Value</b>	173,684,747	276,613	173,961,360	174,081,150

- 14.1** Capital working in progress was represented the installation of Gensoft Logistic ERP system. However, the Group has capitalized capital work in progress during the year ended 31<sup>st</sup> December 2020.

**INTANGIBLE ASSETS - COMPANY**

	<b>Computer Software</b>	<b>Total</b>	<b>Total</b>
	<b>MVR</b>	<b>2021</b>	<b>2020</b>
		<b>MVR</b>	<b>MVR</b>
<b>Cost</b>			
Balance as at 1 <sup>st</sup> January	14,151	14,151	14,151
Balance as at 31 <sup>st</sup> December	14,151	14,151	14,151
<b>Accumulated Amortization</b>			
Balance as at 1 <sup>st</sup> January	5,837	5,837	1,167
Amortized during the Year	4,670	4,670	4,670
Balance as at 31 <sup>st</sup> December	10,507	10,507	5,837
<b>Net Carrying Value</b>	3,644	3,644	8,314

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

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

Goodwill acquired through business combinations have been allocated to cash generating units (CGU's) for impairment testing as follows;

	<b>Amount</b>	<b>Amount</b>
	<b>2,021</b>	<b>2020</b>
	<b>MVR</b>	<b>MVR</b>
<b>Net Carrying Value of the Goodwill</b>		
Equatorial Lines Private Limited	194,123	194,123
Centurion Transport solution Private Limited	167,630,751	167,630,751
S-EMS Maldives Private Limited	5,859,873	5,859,873
	173,684,747	173,684,747

As at 31<sup>st</sup> December 2021, the Group is in the process of assessing the recoverability of carrying amount arose on acquisition of subsidiaries as per "IAS 36 Impairment of Asset". The following information is presented in relation to the way of assessing recoverability of goodwill in previous years. (last impairment assessment was undertaken in 2018)

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

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**14 INTANGIBLE ASSETS AND GOODWILL - GROUP (CONTINUED)**

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

**Accounting Judgements, Estimates and Assumptions**

**Impairment of Goodwill**

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

	2021	2020	2019	2018
Discount Rate	-	-	-	13.20%
Terminal Value Growth Rate	-	-	-	2%
Inflation	-	-	-	2% - 2.7%
Budgeted EBITDA Growth Rate	-	-	-	10% - 35%

**Discount Rate**

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

**Terminal Value of Growth Rate**

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

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

**Inflation**

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

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

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

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**15 INVESTMENTS IN SUBSIDIARIES**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Rohoffe Private Limited	-	-	4,900	4,900
Equatorial Lines Private Limited	-	-	70,000	70,000
Centurion Transport Solutions Private Limited	-	-	176,055,000	176,055,000
Spectra Private Limited	-	-	3,294,779	-
S-EMS Maldives Private Limited	-	-	750,000	750,000
MWT Logistics International Private Limited	-	-	99,999	99,999
Albereich International Private Limited	-	-	85,000	85,000
Centurion Air Private Limited	-	-	99,999	99,999
	<u>-</u>	<u>-</u>	<u>180,459,677</u>	<u>177,164,898</u>

**15.1** On 1<sup>st</sup> January 2021, the Company has acquired 70% of equity shares in Spectra Private Limited. However, the Company has yet to pay the purchase consideration in relation to the acquisition of the subsidiary.

**16 INVENTORIES**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Home Improvement Materials	2,565,306	-	-	-
	<u>2,565,306</u>	<u>-</u>	<u>-</u>	<u>-</u>

**17 TRADE AND OTHER RECEIVABLES**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Trade Receivables - Receivables from Outside Customers	17,360,068	11,605,469	-	-
- Receivables from Related Parties ( <b>Note 17.1</b> )	471,096	3,031,460	-	-
Less: Provision for Impairment Loss of Trade Receivables and Related Parties ( <b>Note 17.2</b> )	(8,355,641)	(7,033,967)	-	-
	9,475,523	7,602,962	-	-
Deposits and Prepayment	3,504,627	2,408,206	170,000	170,000
Receivables from Agents	589,419	360,000	-	-
Staff Loans and Advances	1,096,667	330,630	-	-
Goods and Services Tax ("GST") Receivable	466,308	350,733	81,990	81,716
Other Receivables	1,524,732	1,746,937	-	-
Less: Provision for Impairment Loss on Advance and Prepayments ( <b>Note 17.3</b> )	(207,898)	-	-	-
	<u>16,449,378</u>	<u>12,799,468</u>	<u>251,990</u>	<u>251,716</u>

**17.1 Trade Receivables from Related Parties**

Life Support Private Limited	112,460	634,652	-	-
Spectra Private Limited	-	2,089,170	-	-
Super Supply Private Limited	266,852	215,854	-	-
Maldives Tours Private Limited	91,784	91,784	-	-
	<u>471,096</u>	<u>3,031,460</u>	<u>-</u>	<u>-</u>

**17.2 Provision for Impairment Loss on Trade and Related Party Receivables**

Balance as at 1 <sup>st</sup> January	7,033,967	7,424,169	-	-
Acquisition of subsidiary	270,311	-	-	-
Provision made / (Reversal) during the Year	1,051,363	(390,202)	-	-
Balance as at 31 <sup>st</sup> December	<u>8,355,641</u>	<u>7,033,967</u>	<u>-</u>	<u>-</u>

**17.3 Provision for Impairment Loss on Advance and Prepayments**

Acquisition of subsidiary	207,898	-	-	-
Balance as at 31 <sup>st</sup> December	<u>207,898</u>	<u>-</u>	<u>-</u>	<u>-</u>

**18 AMOUNTS DUE FROM RELATED PARTIES**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Stellar Holdings Private Limited	948,970	948,970	-	-
Pacmar Shipping - Chennai	765,965	765,965	-	-
Spectra Private Limited	-	1,535,210	-	-
Centurion Logistics (Addu ) Private Limited	44,008	42,008	-	-
Centurion Surveyors Private Limited	4,809	4,809	-	-
Albereich International (S) Pte. Limited	75,397	687,755	22,530	6,185
S-EMS Maldives Private Limited	-	-	16,053	16,053
Royal Yacht Club	77,670	44,760	44,760	44,760
Cenex Singapore Private Limited	105,153	-	-	-
NINE or NINE (HKG) Private Limited	271,468	-	-	-
Olson Colombo Private Limited	351,124	90,978	90,978	90,978
Aludra MV Private Limited	12,088	-	-	-
Essen Food Service Private Limited	3,730	-	-	-
Gulfaam Estate Private Limited	7,000	-	-	-
Amounts due from Directors ( <b>Note 18.1</b> )	22,900,060	7,855,849	-	-
	<u>25,567,442</u>	<u>11,976,304</u>	<u>174,321</u>	<u>157,976</u>

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**18 AMOUNTS DUE FROM RELATED PARTIES (CONTINUED)**

<b>18.1</b>	<b>Amounts due from Directors</b>	<b>GROUP</b>		<b>COMPANY</b>	
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
	Mr. Ahmed Maumoon	17,048,552	2,040,431	-	-
	Mr. Aimon Jameel	5,851,508	5,779,755	-	-
	Mr. Ahmed Ijuan	-	35,663	-	-
		<u>22,900,060</u>	<u>7,855,849</u>	<u>-</u>	<u>-</u>

**19 CASH AND CASH EQUIVALENTS**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
<b>Favorable Balances</b>				
Cash in Hand	946,319	681,876	5,000	-
Balances with Banks	2,580,177	2,158,238	802	71,108
	<u>3,526,496</u>	<u>2,840,114</u>	<u>5,802</u>	<u>71,108</u>
<b>Unfavorable Balances</b>				
Bank Overdraft (Note 25)	-	(438,324)	-	-
Cash and Cash Equivalents for Cash Flow purpose	<u>3,526,496</u>	<u>2,401,790</u>	<u>5,802</u>	<u>71,108</u>

**20 SHARE CAPITAL**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Balance as at 1 <sup>st</sup> January	178,433,770	178,433,770	178,433,770	178,433,770
Balance as at 31 <sup>st</sup> December	<u>178,433,770</u>	<u>178,433,770</u>	<u>178,433,770</u>	<u>178,433,770</u>

**20.1 Movement in Number of Shares**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Balance as at 1 <sup>st</sup> January	7,137,351	7,137,351	7,137,351	7,137,351
Balance as at 31 <sup>st</sup> December	<u>7,137,351</u>	<u>7,137,351</u>	<u>7,137,351</u>	<u>7,137,351</u>

**20.2 Authorized**

The authorized share capital comprises 13,800,000 (2020: 13,800,000) ordinary shares of MVR 25/- each.

**20.3 Issued and Fully Paid**

The issued and fully paid share capital comprises 7,137,351 (2020: 7,137,351) ordinary shares of MVR 25/- each.

**20.4 Dividend and Voting Rights**

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

No dividends have been declared by the Directors of the Company for the year ended 31<sup>st</sup> December 2021 (2020: Nil).

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<b>21</b>	<b>LOANS AND BORROWINGS</b>	<b>GROUP</b>		<b>COMPANY</b>	
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
	Balance as at 1 <sup>st</sup> January	3,460,675	390,081	-	-
	Acquisition of subsidiary	2,903,157	-	-	-
	Loan obtained during the Year	725,000	3,360,071	-	-
	Repayments made during the Year	(1,683,731)	(289,477)	-	-
	Balance as at 31 <sup>st</sup> December	5,405,101	3,460,675	-	-
<b>21.1</b>	<b>Sources of Finance</b>				
	Mr. Ahmed Maumoon and Mr. Aimon Jameel ( <b>Note 21.4</b> )	223,651	238,151	-	-
	Bank of Maldives PLC. ("BML") - Covid 19 Relief Loan ( <b>Note 21.5</b> )	1,273,153	1,900,000	-	-
	SME Development Finance Corporation. ("SDFC") ( <b>Note 21.6</b> )	1,705,667	1,322,524	-	-
	The Mauritius Commercial Bank (Maldives) Private Limited ( <b>Note 21.7</b> )	2,202,630	-	-	-
		5,405,101	3,460,675	-	-
<b>21.2</b>	<b>Non-current</b>				
	Bank of Maldives PLC. ("BML") - Covid 19 Relief Loan	573,286	1,200,000	-	-
	SME Development Finance Corporation. ("SDFC")	818,590	861,844	-	-
	The Mauritius Commercial Bank (Maldives) Private Limited	910,426	-	-	-
		2,302,302	2,061,844	-	-
<b>21.3</b>	<b>Current</b>				
	Mr. Ahmed Maumoon and Mr. Aimon Jameel	223,651	238,151	-	-
	Bank of Maldives PLC. ("BML") - Covid 19 Relief Loan	699,867	700,000	-	-
	SME Development Finance Corporation. ("SDFC")	887,077	460,680	-	-
	The Mauritius Commercial Bank (Maldives) Private Limited	1,292,204	-	-	-
		3,102,799	1,398,831	-	-
<b>21.4</b>	<b>Mr. Ahmed Maumoon and Mr. Aimon Jameel</b>				
	Centurion Transport Solutions Private Limited has obtained a term loan of MVR 2,300,000/- from Mr. Ahmed Maumoon and Mr. Aimon Jameel at a interest rate of 12% per annum. This loan is repayable in 60 monthly installments from the date of disbursement. The loan amount has to be repaid fully in 2021. The loan is secured with a vessel named "Islander" bearing the registration no C8349A-03 10-T own by Centurion Transport Solutions Private Limited.				
<b>21.5</b>	<b>Bank of Maldives PLC. ("BML") - Covid 19 Relief Loan</b>				
	The Group has obtained a long term facility of MVR 2 Mn (1 Mn for Centurion Transport Solution Private Limited and 1 Mn for Centurion Air Private Limited) from BML which interest rate is 6% per annum along with six month grace period and is repayable over a period of 3 years. In addition to that, Spectra Private Limited has obtained a loan facility of MVR 1,000,000 at an interest rate of 6% per annum. Loan is repayable in 36 monthly installments.				
<b>21.6</b>	<b>SME Development Finance Corporation. ("SDFC")</b>				
	The Group has obtained a long term facility of MVR 1,360,071/- (MVR 500,000/- for MWT Logistics International Private Limited, MVR 374,497/- for S-EMS Maldives Private Limited, MVR 310,147/- for Albereich International Private Limited and MVR 175,427/- for Rohoffe Private Limited) from SDFC which interest rate is 6% per annum and is repayable over a period of 3 years.				
<b>21.7</b>	<b>The Mauritius Commercial Bank (Maldives) Private Limited ("MCB")</b>				
	The Group has obtained a short term facility of MVR 725,000/- (Centurion Transport Solution Private Limited) from MCB which interest rate of 11.5% per annum and is repayable over a period of 24 months. In addition to that, Spectra Private Limited has obtained 2 loan facilities of USD 223,000 and MVR 1,173,000 at an interest rate of 12% per annum. Both the loans are repayable in 60 monthly installments. The facility has been secured by mortgaging property known as M. Jena (Registry Number 16476).				
<b>22</b>	<b>LEASE LIABILITY</b>				
		<b>GROUP</b>		<b>COMPANY</b>	
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
	Balance as at 1 <sup>st</sup> January	15,780,056	43,893,998	-	-
	Acquisition of subsidiary	8,498,575	-	-	-
	Additions during the year	395,490	-	-	-
	Interest on lease liability	2,483,393	2,776,910	-	-
	Payment of lease liability	(7,066,283)	(6,039,762)	-	-
	Derecognised during the Year	(36,490)	(21,444,428)	-	-
	Adjustment due to rent concession on lease	(856,754)	(3,331,471)	-	-
	Written down during the year	-	(75,191)	-	-
	Balance as at 31 <sup>st</sup> December	19,197,987	15,780,056	-	-
	Non - Current Liabilities	13,799,082	11,646,378	-	-
	Current Liabilities	5,398,905	4,133,678	-	-

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**22 LEASE LIABILITY (CONTINUED)**

**22.1 Summery of Leases**

Agreement Name	Incremental borrowing rate	Lease start date	Lease end date	Renewal Option	Renewal Option in years	terminations during the Year
Moonima	12%	26-May-11	31-Dec-21	N/A	N/A	-
M. Faza	12%	1-Feb-19	31-Jan-24	Yes	1	-
Hudhuma	12%	1-Mar-17	1-Mar-22	Yes	5	-
Saaz -2	12%	18-Aug-16	18-Aug-22	Yes	5	-
Leynaru	12%	23-May-18	23-May-22	Yes	1	-
Building Office	12%	1-Mar-18	28-Feb-22	Yes	3	-
Hulumale Plot 11047	12%	1-Mar-17	28-Feb-27	N/A	N/A	-
Faamudheyryge Building	12%	1-Jan-19	31-Dec-22	N/A	N/A	-
Showroom Rent (Orchid Magu)	12%	1-Jan-17	31-Dec-22	N/A	N/A	-
Godown Rent - 1 (Buruzu Magu)	12%	1-Jan-17	31-Dec-22	N/A	N/A	-
Godown Rent - 2 (Buruzu Magu)	12%	1-Jan-17	31-Dec-22	N/A	N/A	-

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

**22.1.2** The Group has remeasured the existing lease liability at the effective date of modification and made the corresponding adjustment to carrying amount of the Right-of-Use-Asset.

**22.2 Amount Recognized in the Statement of Comprehensive Income**

	GROUP		COMPANY	
	2021	2020	2021	2020
	MVR	MVR	MVR	MVR
Interest on Lease Liabilities	2,483,393	2,776,910	-	-
Expenses relating to leases with less than 12 months	1,144,800	443,371	-	-
Gain on Derecognition of Lease Liability	(6,760)	(1,397,347)	-	-
Depreciation of Right of Use Assets	5,432,546	5,014,417	-	-

**22.3 Amount Recognized in the Statement of Consolidated Cash Flows**

Total cash outflows for leases	7,066,283	6,039,762	-	-
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**23 TRADE AND OTHER PAYABLES**

	GROUP		COMPANY	
	2021	2020	2021	2020
	MVR	MVR	MVR	MVR
Trade Payables	28,667,080	25,201,551	536,232	573,471
Salary Payable	1,684,311	1,838,039	94,850	81,850
Accrued Expenses	5,971,894	5,478,175	-	-
Advances Received	816,221	688,321	-	-
Goods and Services Tax ("GST") Payable	4,179,842	1,287,914	-	-
Other Payables	2,043,313	2,017,202	2,043,313	2,017,202
	43,362,661	36,511,202	2,674,395	2,672,523
Non - Current (Note 23.1)	11,622,089	13,537,245	-	-
Current	31,740,572	22,973,957	2,674,395	2,672,523

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



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<b>24</b>	<b>AMOUNTS DUE TO RELATED PARTIES</b>	<b>GROUP</b>		<b>COMPANY</b>	
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
	Rohoffe Private Limited	-	-	254,605	209,490
	MWT Logistics International Private Limited	-	-	178,397	102,704
	Equatorial Lines Private Limited	-	-	63,567	63,567
	Albereich International Private Limited	-	-	139,947	105,663
	Centurion Air Private Limited	-	-	94,448	94,448
	Centurion Transport Solutions Private Limited	-	-	9,021,563	8,751,394
	Stellar Holdings Private Limited	3,294,779	-	3,294,779	-
	Spectra Private Limited	-	8,481	8,481	8,481
	Super Supply Private Limited	516,926	-	-	-
	Triton Consultant Private Limited	10,000	-	-	-
	Red Eye Private Limited	104,050	100,000	-	-
	Life Support Private Limited	1,170,163	1,457,583	-	-
	Amounts due to Directors (Note 24.1)	2,102,186	926,003	726,750	616,750
		<u>7,198,104</u>	<u>2,492,067</u>	<u>13,782,537</u>	<u>9,952,497</u>

<b>24.1</b>	<b>Amounts due to Directors</b>	<b>GROUP</b>		<b>COMPANY</b>	
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
	Mr. Ahmed Maumoon	31,419	31,420	-	-
	Mr. Aimon Jameel	958,126	68,750	68,750	68,750
	Mr. Abdulla Nafiz	125,000	100,000	125,000	100,000
	Ms. Juweyriya Saeed	30,000	30,000	30,000	30,000
	Mr. Abdulla Hassan	113,000	113,000	113,000	113,000
	Mr. Naheez Ahmed Saeed	113,000	113,000	113,000	113,000
	Dr. Ahmed Ranesh	150,000	125,000	150,000	125,000
	Mr. Hussain Nizar	422,754	231,300	10,000	-
	Ms. Hawwa Shafeea Riza	85,000	60,000	85,000	60,000
	Mr. Ismail Hameed	32,000	7,000	32,000	7,000
	Mr. Ahmed Ijuan	2,860	38,523	-	-
	Mr. Hussain Nasheed	8,010	8,010	-	-
	Mr. Abdulla Maumoon	31,017	-	-	-
		<u>2,102,186</u>	<u>926,003</u>	<u>726,750</u>	<u>616,750</u>

<b>25</b>	<b>BANK OVERDRAFT</b>	<b>GROUP</b>		<b>COMPANY</b>	
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
	The Mauritius Commercial Bank (Maldives) Private Limited (Note 25.1)	-	438,324	-	-
		<u>-</u>	<u>438,324</u>	<u>-</u>	<u>-</u>

**25.1 The Mauritius Commercial Bank (Maldives) Private Limited**

The Centurion Transport Solutions Private Limited had obtained an overdraft credit facility of MVR 450,000 during 2020 for working capital requirements from Mauritius Commercial Bank (Maldives) Private Limited at an interest rate of 12% per annum. The overdraft facility is secured against personal guarantees and indemnity by the Centurion Transport Solutions Private Limited and its shareholders.

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**26 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT**

**26.1 Carrying Amounts and Fair Values of Financial Instruments**

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 does not include fair value information for financial assets and financial liabilities not measured at fair value if carrying amount is a reasonable approximation on fair value.

**Group**

**31<sup>st</sup> December 2021**

	<b>Carrying Amount</b>		
	<b>Financial Asset at Amortised Cost</b>	<b>Other Financial Liabilities</b>	<b>Total</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
<b>Financial Assets not measured at Fair Value</b>			
Trade Receivables (Gross)	17,831,164	-	17,831,164
Staff Loan and Other Receivables	2,621,399	-	2,621,399
Amounts due from Related Parties	25,567,442	-	25,567,442
Cash and Cash Equivalents	3,526,496	-	3,526,496
	<u>49,546,501</u>	<u>-</u>	<u>49,546,501</u>
<b>Financial Liabilities not measured at Fair Value</b>			
Trade Payables	-	28,667,080	28,667,080
Other Payables	-	3,727,624	3,727,624
Loans and Borrowings	-	5,405,101	5,405,101
Lease Liability	-	19,197,987	19,197,987
Amount due to Related Parties	-	7,198,104	7,198,104
	<u>-</u>	<u>64,195,896</u>	<u>64,195,896</u>

**31<sup>st</sup> December 2020**

	<b>Carrying Amount</b>		
	<b>Financial Asset at Amortised Cost</b>	<b>Other Financial Liabilities</b>	<b>Total</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
<b>Financial Assets not measured at Fair Value</b>			
Trade Receivables (Gross)	14,636,929	-	14,636,929
Staff Loan and Other Receivables	2,077,567	-	2,077,567
Amounts due from Related Parties	11,976,304	-	11,976,304
Cash and Cash Equivalents	2,840,114	-	2,840,114
	<u>31,530,914</u>	<u>-</u>	<u>31,530,914</u>
<b>Financial Liabilities not measured at Fair Value</b>			
Trade Payables	-	25,201,551	25,201,551
Other Payables	-	3,855,241	3,855,241
Loans and Borrowings	-	3,460,675	3,460,675
Lease Liability	-	15,780,056	15,780,056
Amount due to Related Parties	-	2,492,067	2,492,067
Bank Overdraft	-	438,324	438,324
	<u>-</u>	<u>51,227,914</u>	<u>51,227,914</u>

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**26 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTINUED)**

**26.1 Carrying Amounts and Fair Values of Financial Instruments (Continued)**

**Company**

**31<sup>st</sup> December 2021**

	<b>Carrying Amount</b>		
	<b>Financial Asset at Amortised Cost</b>	<b>Other Financial Liabilities</b>	<b>Total</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
<b>Financial Assets not measured at Fair Value</b>			
Other Receivables	170,000	-	170,000
Amount due from Related Parties	174,321	-	174,321
Cash and Cash Equivalents	5,802	-	5,802
	<u>350,123</u>	<u>-</u>	<u>350,123</u>

**Financial Liabilities not measured at Fair Value**

Trade Payables	-	536,232	536,232
Other Payables	-	2,138,163	2,138,163
Amount due to Related Parties	-	13,782,537	13,782,537
	<u>-</u>	<u>16,456,932</u>	<u>16,456,932</u>

**31<sup>st</sup> December 2020**

	<b>Carrying Amount</b>		
	<b>Financial Asset at Amortised Cost</b>	<b>Other Financial Liabilities</b>	<b>Total</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
<b>Financial Assets not measured at Fair Value</b>			
Other Receivables	170,000	-	170,000
Amount due from Related Parties	157,976	-	157,976
Cash and Cash Equivalents	71,108	-	71,108
	<u>399,084</u>	<u>-</u>	<u>399,084</u>

**Financial Liabilities not measured at Fair Value**

Trade Payables	-	573,471	573,471
Other Payables	-	2,099,052	2,099,052
Amount due to Related Parties	-	9,952,497	9,952,497
	<u>-</u>	<u>12,625,020</u>	<u>12,625,020</u>

**26.2 Financial Risk Management**

**(i) 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.

**(ii) Risk Management Framework**

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

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**26 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTINUED)**

**26.2 Financial Risk Management (Continued)**

**(iii) Credit Risk**

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

**Trade and Other Receivables**

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

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>Carrying Amount</b>		<b>Carrying Amount</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
Trade Receivables (Gross)	17,831,164	14,636,929	-	-
Staff Loan and Other Receivables	2,621,399	2,077,567	170,000	170,000
Amounts due from Related Parties	25,567,442	11,976,304	174,321	157,976
Cash and Cash Equivalents	3,526,496	2,840,114	5,802	71,108
	<u>49,546,501</u>	<u>31,530,914</u>	<u>350,123</u>	<u>399,084</u>

**Expected credit loss assessment under IFRS 9**

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

The Group incorporates forward looking information in to it's mesurement of ECL such as GDP growth rate.

**Measurement of ECL**

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

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

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

The following table provides information about exposure to credit risk and ECLs for trade receivables as at 31 December 2021.

<b>31<sup>st</sup> December 2021</b>	<b>Weighted Average Loss Rate</b>	<b>Gross Carrying Amount</b>	<b>Loss Allowance</b>
		<b>MVR</b>	<b>MVR</b>
Current	1%	226,513	2,779
1-30 days past due	1%	2,924,893	23,958
31-60 days past due	20%	440,713	87,453
61-90 days past due	4%	253,686	9,597
More than 90 days past due	59%	13,985,359	8,231,854
		<u>17,831,164</u>	<u>8,355,641</u>

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**26 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT**

**26.2 Financial Risk Management (Continued)**

**Measurement of ECL (Continued)**

<b>31<sup>st</sup> December 2020</b>	<b>Weighted Average Loss Rate</b>	<b>Gross Carrying Amount MVR</b>	<b>Loss Allowance MVR</b>
Current	0%	820,166	329
1-30 days past due	0%	3,277,448	4,919
31-60 days past due	1%	219,178	1,328
61-90 days past due	4%	163,091	5,880
More than 90 days past due	69%	10,157,046	7,021,511
		<u>14,636,929</u>	<u>7,033,967</u>

**Movements in Allowance for Impairment in Respect of Trade Receivables**

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

	<b>2021 MVR</b>	<b>2020 MVR</b>
<b>Balance as at 1<sup>st</sup> January</b>	7,033,967	7,424,169
Acquisition of subsidiary	270,311	-
Net measurement of loss allowance	1,051,363	(390,202)
<b>Balance as at 31<sup>st</sup> December</b>	<u>8,355,641</u>	<u>7,033,967</u>

The Group held bank balance of MVR 2,580,177/- (fitch rating B-) as at 31<sup>st</sup> December 2021 (2020 - MVR 2,158,238/-). These balances are held with banks that Management believes are of high credit quality and accordingly, minimal credit risk exists.

**Receivables from Related Parties**

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

**(iv) Liquidity Risk**

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

The following are the contractual maturities of financial liabilities.

**Group**

<b>31<sup>st</sup> December 2021</b>	<b>Carrying Amount MVR</b>	<b>Contractual Cash Flows MVR</b>	<b>0 - 12 Months MVR</b>	<b>1 - 2 Years MVR</b>	<b>2 - 5 Years MVR</b>	<b>Over 5 Years MVR</b>
<b>Financial Liabilities (Non- Derivative)</b>						
Trade and Other Payables	32,394,704	32,394,704	20,772,615	11,622,089	-	-
Loans and Borrowings	5,405,101	5,760,834	3,366,975	2,393,859	-	-
Lease Liability	19,197,987	25,011,901	7,686,457	5,312,072	12,013,372	-
Amount due to Related Parties	7,198,104	7,198,104	7,198,104	-	-	-
<b>Total</b>	<u>64,195,896</u>	<u>70,365,543</u>	<u>39,024,151</u>	<u>19,328,020</u>	<u>12,013,372</u>	<u>-</u>
<b>31<sup>st</sup> December 2020</b>	<b>Carrying Amount MVR</b>	<b>Contractual Cash Flows MVR</b>	<b>0 - 12 Months MVR</b>	<b>1 - 2 Years MVR</b>	<b>2 - 5 Years MVR</b>	<b>Over 5 Years MVR</b>
<b>Financial Liabilities (Non- Derivative)</b>						
Trade Payables	29,056,792	29,056,792	15,519,547	13,537,245	-	-
Loans and Borrowings	3,460,675	3,593,480	1,417,920	1,417,920	757,640	-
Lease Liability	15,780,056	19,002,568	5,364,232	4,439,232	7,755,104	1,444,000
Amount due to Related Parties	2,492,067	2,492,067	2,492,067	-	-	-
Bank Overdrafts	438,324	438,324	438,324	-	-	-
<b>Total</b>	<u>51,227,913</u>	<u>54,583,231</u>	<u>25,232,090</u>	<u>19,394,397</u>	<u>8,512,744</u>	<u>1,444,000</u>

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**26.1 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTINUED)**

**26.2 Financial Risk Management (Continued)**

**(iv) Liquidity Risk (Continued)**

**Company**

**31<sup>st</sup> December 2021**

**Financial Liabilities (Non- Derivative)**

Trade and Other Payables

Amount due to Related Parties

**Total**

<b>Carrying Amount MVR</b>	<b>0-12 Months MVR</b>
2,674,395	2,674,395
13,782,537	13,782,537
<b>16,456,932</b>	<b>16,456,932</b>

**31<sup>st</sup> December 2020**

**Financial Liabilities (Non- Derivative)**

Trade and Other Payables

Amount due to Related Parties

**Total**

<b>Carrying Amount MVR</b>	<b>0-12 Months MVR</b>
2,672,523	2,672,523
9,952,497	9,952,497
<b>12,625,020</b>	<b>12,625,020</b>

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

**(v) Market Risk**

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

**(a) Interest rate risk**

**Profile**

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

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>Carrying Amount</b>		<b>Carrying Amount</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>	<b>MVR</b>
<b>Fixed Rate Instruments</b>				
Loan and Borrowings	5,181,450	3,222,524	-	-
Bank Overdraft	-	438,324	-	-

A change of 100 basis point in interest rates would have increased or decreased profit for the year ended 31<sup>st</sup> December 2021 by MVR 9,706/- (2020 : MVR 5,215/-). This analysis assumes that all other variables remain constant.

**(b) Currency Risk**

**Exposure to Currency Risk**

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

	<b>2021</b>	<b>2020</b>
	<b>US\$</b>	<b>US\$</b>
Cash and Cash Equivalents	98,900	46,356
Trade Receivables	246,202	233,464
Trade and Other Payables	(897,652)	(1,074,041)
Gross Statement of Financial Position Exposure	<b>(552,550)</b>	<b>(794,220)</b>

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

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**27 RELATED PARTY DISCLOSURES**

**27.1 Transactions with Related Companies - Group**

Name of the Related Party	Relationship	Nature of the Transaction	Amount 2021 MVR	Amount 2020 MVR	Balance due from/(to) as at 31-Dec-21 MVR	Balance due from/(to) as at 31-Dec-20 MVR
Stellar Holdings Private Limited	Affiliate Company	Expenses Paid for Settlements	-	-	948,970	948,970
		Service Provided	(3,294,779)	-	(3,294,779)	-
Pacmar Shipping - Chennai	Affiliate Company	Expenses Paid for	-	137,320	765,965	765,965
Spectra Private Limited	Affiliate Company	Expenses Paid for Settlements	-	2,047,574	-	2,089,170
		Service Provided	(2,089,170) 8,481	(1,470,586) -	-	(8,481)
Life Support Private Limited	Affiliate Company	Expenses Paid for Settlements	(287,420)	-	(1,170,163)	(1,457,583)
		Sale		250,866		
		Service Provided	522,192	-	112,460	634,652
Centurion Logistics (Addu) Private Limited	Affiliate Company	Expenses Paid for	2,000	2,000	44,008	42,008
Centurion Surveyors Private Limited	Affiliate Company	Expenses Paid for Settlements	-	-	4,809	4,809
Albereich International (S) Pte Limited	Affiliate Company	Expenses Paid for Settlements	(612,358)	1,022,622 (388,916)	75,397	687,755
Royal Yacht Club	Affiliate Company	Expenses Incurred	32,910	44,760	77,670	44,760
Olson Colombo Private Limited	Affiliate Company	Expenses Incurred	260,146	90,978	351,124	90,978
Super Supply Private Limited	Affiliate Company	Service Provided	(50,998)	-	266,852	215,854
		Sale	516,926	19,912	(516,926)	-
Red Eye Private Limited	Affiliate Company	Settlements	4,050	(100,000)	(104,050)	(100,000)
Maldives Tours Private Limited	Affiliate Company	Service Provided	-	-	91,784	91,784
Cenex Singapore Private Limited	Affiliate Company	Service Provided	105,153	-	105,153	-
NINE or NINE (HKG) Private Limited	Affiliate Company	Service Provided	271,468	-	271,468	-
Triton Consultant Private Limited	Affiliate Company	Service Provided	10,000	-	(10,000)	-
Aludra MV Private Limited	Affiliate Company	Expenses Paid for Settlement	-	-	12,088	12,088
Essen Food Service Private Limited	Affiliate Company	Expenses Paid for Settlement	-	-	3,730	3,730
Gulfaam Estate Private Limited	Affiliate Company	Expenses Paid for Settlement	2,000	2,000	7,000	5,000
<b>Transactions with Related Companies - Company</b>						
Name of the Related Party	Relationship	Nature of the Transaction	Amount 2021 MVR	Amount 2020 MVR	Balance due from/(to) as at 31-Dec-21 MVR	Balance due from/(to) as at 31-Dec-20 MVR
Centurion Transport Solutions Private Limited	Subsidiary Company	Expenses Incurred	(270,391)	-	(9,021,563)	(8,751,394)
		Settlement	222	(1,124,480)		
Rohoffe Private Limited	Subsidiary Company	Expenses Incurred	(45,115)	-	(254,605)	(209,490)
		Settlement		(186,417)		



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**27 RELATED PARTY DISCLOSURES (CONTINUED)**

**27.1 Transactions with Related Companies - Company (Continued)**

Name of the Related Party	Relationship	Nature of the Transaction	Amount 2021 MVR	Amount 2020 MVR	Balance due from/(to) as at 31-Dec-21 MVR	Balance due from/(to) as at 31-Dec-20 MVR
MWT Logistics International Private Limited	Subsidiary Company	Expenses Incurred Settlement	(75,693)	- (11,723)	(178,397)	(102,704)
Equatorial Lines Private Limited	Subsidiary Company	Expenses Incurred	-	-	(63,567)	(63,567)
Albereich International Private Limited	Subsidiary Company	Expenses Incurred Settlement	(34,284)	- (37,008)	(139,947)	(105,663)
Centurion Air Private Limited	Subsidiary Company	Expenses Incurred Settlement	-	-	(94,448)	(94,448)
Spectra Private Limited	Subsidiary Company	Expenses Incurred Settlement	-	(8,481)	(8,481)	(8,481)
S-EMS Private Limited	Subsidiary Company	Expenses Incurred Settlement	-	-	16,053	16,053
Albereich International (S) Pte. Limited	Subsidiary Company	Expenses Incurred Settlement	16,345	- 6,185	22,530	6,185
Royal Yacht Club	Subsidiary Company	Expenses Incurred	-	44,760	44,760	44,760
Olson Colombo Private Limited	Subsidiary Company	Expenses Incurred	-	90,978	90,978	90,978

**27.2 Transactions with Key Management Personnel - Group**

Name of the Director	Relationship	Nature of the Transaction	Amount 2021 MVR	Amount 2020 MVR	Balance due from/(to) as at 31-Dec-21 MVR	Balance due from/(to) as at 31-Dec-20 MVR
Mr. Ahmed Maumoon	Director	Expenses Paid for Settlements Loan due	- (1,491,878) 16,500,000	296,047 (252,360)	17,017,133	2,009,011
Mr. Aimon Jameel	Director	Expenses Paid for Settlements	817,623 -	- (277,284)	4,893,382	5,711,005
Mr. Ahmed Ijwan	Director	Settlements	(35,663)	- -	-	35,663
Mr. Abdulla Nafiz	Director	Salaries Settlements	(60,000) 35,000	60,000 (10,000)	(125,000)	(100,000)
Mr. Juweyruya Saeed	Director	Salaries Settlements	-	- -	(30,000)	(30,000)
Mr. Abdulla Hassan	Director	Salaries Settlements	-	- (38,000)	(113,000)	(113,000)
Mr. Naheez Ahmed Saeed	Director	Salaries Settlements	-	- (38,000)	(113,000)	(113,000)
Dr. Ahmed Ranesh	Director	Salaries Settlements	(60,000) 35,000	60,000 -	(150,000)	(125,000)
Me. Hussain Nazar	Director	Salaries Settlements	(191,454)	-	(422,754)	(231,300)

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**27 RELATED PARTY DISCLOSURES (CONTINUED)**

**27.2 Transactions with Key Management Personnel - Group (Continued)**

Mr. Abdulla Maumoon	Director	Settlements	(31,017)	-	(31,017)	-
Ms. Hawwa Shafeea Riza	Director	Settlements	(60,000) 35,000	(60,000)	(85,000)	(60,000)
Mr. Abdulla Nafiz	Director	Salaries Settlements	(60,000) 35,000	(22,000) 15,000	(32,000)	(7,000)
Mr. Abdulla Hassan	Director	Settlements	35,663	(38,523)	(2,860)	(38,523)
Mr. Juweyriya Saeed	Director	Settlements	-	(8,010)	(8,010)	(8,010)

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

**27.2 Transactions with Key Management Personnel - Company**

Name of the Director	Relationship	Nature of the Transaction	Amount 2021 MVR	Amount 2020 MVR	Balance due from/(to) as at 31-Dec-21 MVR	Balance due from/(to) as at 31-Dec-20 MVR
Mr. Aimon Jameel	Director	Settlements	-	-	(68,750)	(68,750)
Mr. Abdulla Nafiz	Director	Salaries Settlements	(60,000) 35,000	60,000 (10,000)	(125,000)	(100,000)
Mr. Abdulla Hassan	Director	Settlements	-	(38,000)	(113,000)	(113,000)
Mr. Juweyriya Saeed	Director	Settlements	-	-	(30,000)	(30,000)
Mr. Naheez Ahmed Saeed	Director	Settlements	-	(38,000)	(113,000)	(113,000)
Dr. Ahmed Ranesh	Director	Salaries Settlements	(60,000) 35,000	(60,000) -	(150,000)	(125,000)
Ms. Hawwa Shafeea Riza	Director	Salaries Settlements	(60,000) 35,000	(60,000)	(85,000)	(60,000)
Mr. Ismail Hameed	Director	Salaries Settlements	(60,000) 35,000	(22,000) 15,000	(32,000)	(7,000)
Mr. Hussain Nizar	Director	Salaries Settlements	(35,000) 25,000	-	(10,000)	-

**27.3 Emoluments to Key Management Personnel - Group**

The Board of Directors of the Group are the members of the key management personnel. The Group has paid an amount of MVR 1,715,336/- as remuneration to the key management personnel during the year ended 31<sup>st</sup> December 2021 (2020: MVR 1,706,816/-).

**27.4 Emoluments to Key Management Personnel - Company**

The Board of Directors of the Group are the members of the key management personnel. The Company has paid an amount of MVR 275,000/- as remuneration to the key management personnel during the year ended 31<sup>st</sup> December 2021 (2020: MVR 278,000/-).

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**28 CONTINGENT LIABILITIES**

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

**29 COMPARATIVE FIGURES**

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

**30 EVENTS AFTER THE REPORTING DATE**

No circumstances have arisen since the reporting date which require adjustments to / or disclosure in the financial statements.

**31 IMPACT DUE TO THE COVID - 19**

COVID-19 has brought with it considerable uncertainty for business in Maldives. With the rapid development of the virus in many countries, including Maldives, health authorities have introduced measures to manage the spread of the virus including requiring entities to limit or suspend business operations in 2020 and 2021.

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

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

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

**32 DIRECTORS' RESPONSIBILITIES**

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

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**33 Acquisition of Spectra Private Limited**

On 1<sup>st</sup> January 2021, the Group has acquired 70% of shares and voting interest in Spectra Private Limited for a purchase consideration of MVR. 3,294,779/-. The Group has determined that together the acquired inputs and processes significantly contribute to the ability to create revenue. The Group has concluded that the acquired set is a business.

**A. Identifiable Assets Acquired and Liabilities assumed**

The acquisition had the following effects on the Group assets and liabilities:

	<b>MVR</b>
<b>Assets</b>	
Property, Plant and Equipment	1,306,752
Intangible Asset	34,059
Right of Use Asset	7,431,316
Inventories	2,886,076
Trade and Other Receivable	1,525,618
Amount due from Related Parties	22,514
Amount due from Directors	13,683,417
Cash and Cash Equivalent	12,770
	<u>26,902,522</u>
<b>Liabilities</b>	
Lease Liabilities	8,498,575
Loans and Borrowings	2,903,157
Amounts due to Related Parties	2,106,366
Amounts due to Directors	914,859
Trade and Other Payables	6,904,014
	<u>21,326,971</u>
Non Controlling Interest	1,672,665
Net Asset Acquired	<u>3,902,886</u>
Consideration to be transferred ( <b>Note 15.1</b> )	<u>3,294,779</u>
Gain on Bargain Purchase	<u>608,107</u>

# CORPORATE INFORMATION

## Name of the Company

Centurion Public Limited Company

## Company Registration Number

C-0750/2016

## Legal Form

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

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

## Company Secretary

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

## Contact Information

### Registered address of the company

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

### Head Office:

#### Centurion Plc

8 A, Faamudheyryge, Orchid Magu, Maafannu,  
Male', 20209, Rep. of Maldives

Phone: +960 330 9668,  
+960 333 5830

Fax: +960 332 1367

Email: [info@centurion.mv](mailto:info@centurion.mv)

Website: [www.centurion.mv](http://www.centurion.mv)

## Auditors

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

## Valuation consultants

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

## Bankers

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

## Investor relations

Further queries regarding the Investor relations should be addressed to the corporate secretary, Centurion PLC at [corporate.affairs@centurion.mv](mailto:corporate.affairs@centurion.mv)

Address: 8 A, Faamudheyryge  
Orchid Magu, Maafannu,  
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Rep. of Maldives

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*Centurion*

**Centurion Public Limited Company**

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