2025 Corporate Governance Report

MALDIVE GAS



بسم الله الرحمن الرحيم

This report has been prepared in accordance with the Corporate Governance Code of the STO Group of Companies and other applicable laws and guidelines.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report for 2025 outlines Maldive Gas Pvt Ltd's (MGPL) approach to maintaining effective governance, oversight, and compliance across its operations.

During the year, the Company operated within an evolving regulatory and operational environment, with a continued focus on strengthening internal controls, compliance processes, and Board oversight across strategic, financial, and operational matters.

MGPL's governance framework remains aligned with the Corporate Governance Code of the STO Group of Companies, ensuring consistency with group standards and compliance with applicable laws and regulatory requirements.

This report sets out the Company's governance structure, the activities of the Board and its Committees, and the measures implemented during the year to support accountability and responsible management.

PURPOSE AND NATURE OF THE COMPANY

Maldive Gas Pvt Ltd is the leading Liquefied Petroleum Gas (LPG) provider in the Maldives.

- Established in 1999
- Subsidiary of State Owned Enterprise
- Ensuring reliable nationwide supply of liquefied Petroleum Gas (LPG)
- Supporting rational energy security across Maldives

Joint Venture

MGPL was initially formed as a joint venture between State Trading Organization Plc (STO) and Champa Oil & Gas Pvt Ltd.

10% Shareholder

90% Majority Shareholder

Strategic Acquisition

LPG Import, Storage and Distribution



Household, Commercial, Industrial, and Medical Gas Distribution to Communities across the Maldives



Reliable Energy Supply for the Maldives



Mr. Mohamed Eman

Chairman / Independent Non-Executive

Appointed on 12th April 2023

Mr. Mohamed Eman has over twelve years of senior leadership experience within State Trading Organization Plc (STO), where he currently serves as Director of Construction Solutions. In this role, he oversees operational functions and supports resource planning across construction and infrastructure segments within the Group.

He was appointed Chairman of Maldive Gas Pvt Ltd (MGPL) in April 2023 and has served on the Board since that time. He previously served as a Board Director of Maldives Structural Products Pvt Ltd, a subsidiary of STO, from 2015 to 2020.

Mr. Eman holds a Bachelor of Arts in Economics and is an SAP Certified Application Associate in Materials Management.

NUMBER OF MEETINGS ATTENDED



Mr. Abdullah Mohamed

Managing Director / Executive Director

Appointed on 30th November 2023

Mr. Abdullah Mohamed has over ten years of senior public sector experience. He was appointed Managing Director of Maldive Gas Pvt Ltd (MGPL) in 2023 by the majority shareholder, State Trading Organization Plc (STO), and is responsible for the Company's strategic direction, operational performance, and stakeholder engagement.

Prior to joining MGPL, he served as Minister of State at the Ministry of Home Affairs and as Deputy Minister at the Ministry of Economic Development, where he was involved in public administration, trade, and regulatory matters.

His governance experience includes serving as Chairman of SABAH Maldives Cooperative Society and as Registrar of Associations at the Malé City Council.

Mr. Abdullah is also a UNDP-certified governance lecturer.

NUMBER OF MEETINGS ATTENDED



Mr. Abdulla Saleem Abdul Sattar

Director / Independent Non-Executive

Appointed on 3rd October 1999

Mr. Abdulla Saleem Abdul Sattar has served as a Director of Maldive Gas Pvt Ltd (MGPL) since its establishment in 1999 and continues to serve as a Non-Executive Director on the Board.

He represents Champa Oil & Gas Pvt Ltd as a minority shareholder and contributes to Board deliberations on strategic and governance matters.

In addition to his role at MGPL, Mr. Saleem serves as a Director of Kasa Holdings Pvt Ltd. He also holds the position of Company Secretary at Champa Brothers, where he is involved in corporate administration and compliance matters.

Mr. Saleem brings over 25 years of experience across business operations and governance.

NUMBER OF MEETINGS ATTENDED



Ms. Aminath Juwaida

Director / Independent and Non-Executive

Appointed on 10th January 2021

Ms. Aminath Juwaida has over fifteen years of professional experience in procurement, enterprise systems, and corporate administration across State Trading Organization Plc (STO) and Maldive Gas Pvt Ltd (MGPL). She serves as a Non-Executive Director on the Board of MGPL, appointed by STO.

At STO, she holds the position of Manager of Procurement – Medicals, where she is responsible for procurement operations relating to medical products.

She has been involved in policy and procedural development within STO and contributed to the implementation of enterprise systems, including participation in the SAP implementation across operations.

Ms. Juwaida holds a Master of Business Administration (MBA) in General Management from Edith Cowan University, Australia.

NUMBER OF MEETINGS ATTENDED



Mr. Mohamed Husham

Director / Independent Non-Executive

Appointed on 05th February 2024

Mr. Mohamed Hushaam has over thirteen years of experience in project management, property administration, and operational leadership. He serves as an Independent Non-Executive Director on the Board of Maldive Gas Pvt Ltd (MGPL).

At State Trading Organization Plc (STO), he is Projects Manager, overseeing planning and execution of infrastructure and development projects across operational facilities. He has contributed to over 140 projects nationwide, ensuring alignment with safety and operational standards. Previously, he was Property and Security Manager at STO, managing more than 35 properties and tenant relations.

He also served as Secretary of the Emergency Health and Safety Committee (2019–2023) and supported COVID-19 response efforts.

Mr. Hushaam holds a Master of Business Administration and a Bachelor of Arts (Honours) in Business Administration from the University of Bedfordshire.

NUMBER OF MEETINGS ATTENDED



Ms. Fathmath Fazath

Director / Independent Non-Executive

Appointed on 05th February 2024

Ms. Fathmath Fazath has over twenty-six years of professional experience at State Trading Organization Plc (STO), with a background in sales, strategic planning, and organizational development. She serves as a Non-Executive Director on the Board of Maldive Gas Pvt Ltd (MGPL).

She has held a range of roles at STO since 1998, contributing to sales operations, business development, and administrative functions across the organisation.

Ms. Fazath has been involved in strategic planning and organisational initiatives within STO, supporting business operations and stakeholder engagement.

She holds a Master of Business Administration (MBA) in General Management from the Australian Institute of Business and has completed professional training programmes in leadership and management.

NUMBER OF MEETINGS ATTENDED



Mr. Mohamed Anwar Moosa

Director / Independent Non-Executive

Appointed on 01st January 2025

Mr. Mohamed Anwar Moosa is a Director of Maldive Gas Pvt Ltd with over fourteen years of experience in healthcare technology biomedical engineering and strategic healthcare operations.

He currently serves as Business Strategist at State Trading Organization Plc overseeing commercial operations biomedical services and projects and inventory planning for medical devices strengthening healthcare delivery systems through coordination and management.

He previously held managerial roles at STO Healthcare Solutions where he helped establish the Biomedical Engineering Unit a leading function with certified local engineers. Earlier he served at the Ministry of Health overseeing after sales services and advising on medical device policies.

Mr. Anwar holds a Bachelor of Engineering in Biomedical Engineering from Anna University and a Master of Science in MedTech Innovation and Entrepreneurship from King's College London.

NUMBER OF MEETINGS ATTENDED

THE BOARD CHARTER

The Board of Directors of Maldive Gas Pvt Ltd (MGPL) is responsible for overseeing the Company's strategic direction, performance, and governance.

The Board operates in accordance with an approved Board Charter, which defines its roles, responsibilities, and decision-making authority.

> ***The Board Charter sets out the roles, responsibilities, structure, and processes of the Board, guiding directors in fulfilling their governance and strategic oversight duties.***

The objectives of the Board include:


Set the strategic direction of the company.


Establish and uphold a governance framework supported by approved policies.


Identify significant operational risks and ensure effective mitigation measures.


Oversee compliance with all applicable laws and regulatory requirements.


Monitor and evaluate the company's financial performance.


Appoint, guide, develop, and assess the Managing Director and senior management.


Ensure the adequacy and reliability of the company's technology and information systems.


Approve and issue required reports to stakeholders.

TENURE

The composition of the Board of Directors of Maldive Gas Pvt Ltd (MGPL) remained unchanged throughout 2025, reflecting stability in the Company's governance structure.

This continuity supported consistent oversight and enabled the Board to maintain focus on strategic priorities during the year.

All Directors served within a tenure of six years, supporting continuity while maintaining an appropriate balance of experience and perspectives on the Board.

BOARD COMPOSITION AND NOMINATION PROCESS

Nominations to the Board are made by the Majority Shareholder in accordance with the Articles of Association. Under this framework, the majority shareholder appoints directors with all appointments formally communicated through shareholder resolutions. When considering candidates for board positions, attention is given to qualifications, relevant expertise, professional background, and diversity in both age and gender.

As stipulated in the Articles of Association, the Board must comprise a minimum of three and a maximum of seven directors. During 2025, the Board functioned at full capacity with seven members, maintaining a strong mix of executive and non-executive representation. Six directors served in non-executive roles, while the sole executive director was the Managing Director, Mr. Abdullah Mohamed.

The Board also reflected gender diversity, with two female directors, Ms. Aminath Juwaida and Ms. Fathimath Fazath, serving throughout the year.



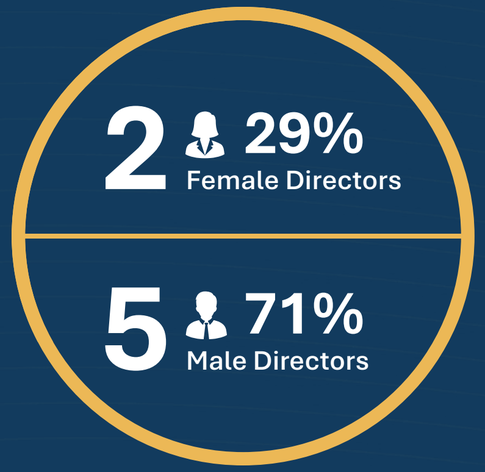
BOARD STRUCTURE & COMPOSITION

This structure demonstrates the Company's commitment to balanced decision-making and reinforces alignment with the STO Group Corporate Governance Code, which emphasizes strong independent oversight



BOARD GENDER DIVERSITY

MGPL maintains a balanced Board Composition, promoting diversity and inclusive leadership through gender representation

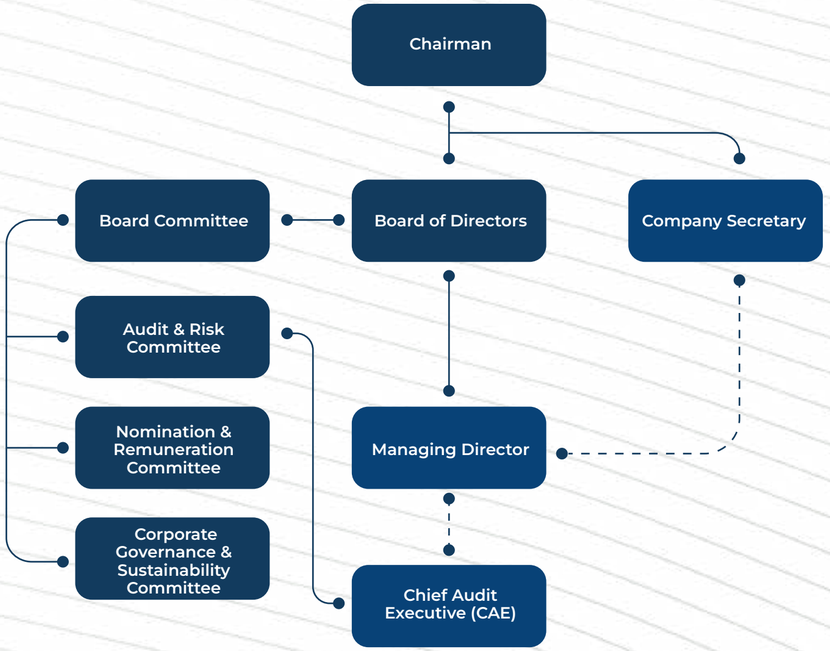


GOVERNANCE REPORTING STRUCTURE

MGPL has established three Board Committees: the Audit and Risk Committee (ARC), the Nomination and Remuneration Committee (NRC), and the Corporate Governance & sustainability Committee (CGSC). Each Committee operates under defined terms of reference and reports to the Board following its review of assigned matters.

The Managing Director and the Company Secretary also report directly to the Board, ensuring that both operational and governance matters are presented for Board oversight.

This structure supports independent review of key matters, facilitates timely escalation to the Board, and strengthens oversight of risk management, performance, and governance practices.



SEGREGATION OF DUTIES BETWEEN THE CHAIRPERSON AND THE MANAGING DIRECTOR

MGPL maintains a clear separation of responsibilities between the Chairperson and the Managing Director to support effective governance and a balanced distribution of authority.

The Chairperson is responsible for leading the Board and ensuring its effective functioning. This includes overseeing Board processes, facilitating discussions, and ensuring that Directors receive timely and relevant information to support decision-making.

The Managing Director is responsible for the day-to-day management of the Company and the implementation of strategies approved by the Board. This includes overseeing operations, leading management, and ensuring compliance with applicable laws, policies, and internal controls. The Managing Director also reports to the Board on operational performance and key risks.

This separation of roles enables the Board to focus on oversight while management is responsible for execution, supporting accountability and effective decision-making.

The Chairperson and the Managing Director do not have any personal or family relationships with each other or their immediate family members.

DIRECTOR INDUCTION AND TRAINING

MGPL ensures that Directors are provided with the information and support required to effectively discharge their responsibilities. New Directors undergo a structured induction facilitated by the Company Secretariat, covering the Company's operations, governance framework, key policies, and strategic priorities.

Directors are encouraged to participate in ongoing training and professional development to remain informed of regulatory developments, governance practices, and industry trends. During 2025, Board members undertook training in areas relevant to their oversight responsibilities, including:

- **Governance and Compliance:** AI Governance Professional Certification / Corporate Compliance and Financial Management / Business Ethics and Professional Conduct
- **Leadership and Strategy:** Oxford Transformational Leadership Programme
- **Financial Oversight:** Financial Management and Budgeting Techniques
- **Industry and Technical Awareness:** Middle East Energy Conference / Pipeline Planning, Maintenance and Upgrades Conference

Mr. Mohamed Anwar Moosa, appointed to the Board on 1 January 2025, completed a Board Directors' Training Programme as part of his induction.

BOARD REMUNERATION

The remuneration of the Board of Directors of Maldive Gas Pvt Ltd (MGPL) is determined in accordance with the approved remuneration framework.

Board members receive a monthly allowance of MVR 5,000. In addition, a sitting fee of MVR 300 is payable for each Board meeting attended, and a sitting fee of MVR 250 is payable for each Committee meeting attended.

Director Name	Total Fees (MVR)
Mohamed Eman	65,100
Abdulla Saleem Abdul Sattar	68,600
Abdullah Mohamed	63,900
Aminath Juwaida	67,750
Fathmath Fazath	67,100
Mohamed Husham	67,000
Mohamed Anwar Moosa	66,350

> *The Board has determined not to disclose individual remuneration details of top management and executive directors. Remuneration is disclosed in aggregate in accordance with the Company's disclosure practices.*

BOARD MEETINGS AND ATTENDANCE

During the year, seventeen (17) Board meetings were held.

Agendas were prepared by the Company Secretary in consultation with the Chairperson and the Managing Director. Meeting notices and Board papers were circulated in accordance with the Articles of Association.

Directors were provided the opportunity to propose additional agenda items, supporting effective deliberation and decision-making.

Board of Directors	Number of meetings attended
Mohamed Eman	17/17
Abdulla Saleem Abdul Sattar	17/17
Abdullah Mohamed	13/17
Aminath Juwaida	16/17
Fathmath Fazath	17/17
Mohamed Husham	16/17
Mohamed Anwar Moosa	17/17

> *Board attendance levels indicate consistent participation in Board meetings.*



BOARD PROCEEDINGS AND MAJOR DECISIONS

During the year, the Board considered matters relating to the Company's performance, financial position, and strategic priorities. Key matters included the approval of budgets, capital and operational expenditures, major projects, policy revisions, risk management matters, and significant contracts.

The Board monitored progress against strategic objectives and ensured compliance with applicable laws, regulations, and governance requirements.

Management provided the Board with regular and timely reports to support its oversight responsibilities. These included updates on budgets, financial forecasts, quarterly financial statements, stock and inventory status, and monthly management accounts. The Board also received updates on operational performance and project progress.

The Chief Audit Executive submitted audit reports to the Audit and Risk Committee and, where necessary, escalated significant audit findings, risk exposures, and control matters to the Board.

During the year, the Board also made key decisions to support governance, financial performance, and operational efficiency. Key decisions are set out below.

Board Decisions and Key Activities:

Governance, Structure, and Appointments

- Approved revisions to the organizational structure and committee compositions.
- Approved the Delegation of Authority and Authority Matrix.
- Appointed Board Committee members and authorized signatories.
- Approved recruitment of an OHS-certified officer.

Procurement and Risk Controls

- Approved enhanced procurement safeguards.
- Delegated LPG procurement to State Trading Organization PLC (STO).
- Directed improvements to procurement procedures.

Strategy, Financial Oversight, and Performance Monitoring

- Approved the Budget, Strategic Plan, and KPIs.
- Approved the 2026 budget and audited financial statements for 2024.
- Reviewed the proposed dividend for 2024.
- Approved write-off of an outstanding balance.
- Directed strengthened oversight of debt collection.

Projects and Capital Investments

- Approved key capital and infrastructure projects.
- Approved major initiatives, including the Liquid Nitrogen Generator, Medical Oxygen Plant, and tank relocation.
- Approved engagement of consultants and vendor selection for strategic projects.
- Approved initiation of tenders for infrastructure upgrades.
- Approved consultancy engagement for seawall assessment.

Legal and External Matters

- Approved engagement of external legal and investigative support.

Operational and Administrative Decisions

- Approved renewal of ERP support agreement.

Audit, Compliance, and Internal Controls

- Approved and revised key policies, including the Health and Safety Policy, Procurement Policy and Procedure, and Staff Loan Policy.
- Approved adoption of STO Group policies on Anti-Bribery and Anti-Corruption, Blacklisting, and Conflict of Interest.
- Endorsed internal audit recommendations.
- Emphasized alignment with ISO standards.



NON-EXECUTIVE DIRECTORS' MEETING

In accordance with the Board Charters and the applicable governance framework, the non-executive directors of Maldive Gas Pvt Ltd (MGPL) convened a separate session without the presence of executive directors. The session focused on reviewing the effectiveness of interactions between the Board and management, with particular attention given to the adequacy, clarity, and timeliness of information provided to the Board. This meeting allowed non-executive directors to consider whether the information received supported effective oversight and informed decision-making, while also enabling an independent review of the Company's governance practices and overall Board performance.

BOARD COMMITTEES

The Board of Directors of Maldive Gas Pvt Ltd (MGPL) is supported by Board Committees that provide focused oversight and assist in the effective discharge of its responsibilities.

The Committees operate under approved mandates and support the Board in key areas of governance and oversight. The principal Board Committees are the Audit and Risk Committee, the Nomination and Remuneration Committee, and the Corporate Governance and Sustainability Committee.

The Board appoints the Chairpersons and members of each Committee and reviews their composition and effectiveness on a periodic basis.



Audit and Risk Committee

Assists the Board in overseeing the integrity of financial reporting, the effectiveness of internal controls, and the adequacy of risk management practices.



Nomination and Remuneration Committee

Supports the Board on appointments, performance, succession planning, and remuneration matters. It ensures fair and transparent remuneration aligned with the Company's objectives and governance standards.



Corporate Governance & Sustainability Committee

Supports the Board in strengthening governance practices across the Company. It oversees the review of governance frameworks, policies, and procedures and advises on ethical conduct and Board effectiveness.

All Board Committees operate under Board-approved charters that clearly define their roles and responsibilities. The Audit and Risk Committee meets at least quarterly, while the other Committees convene at least twice a year. Meeting agendas and durations are determined by the respective Committee Chairpersons in consultation with the Company Secretary.

AUDIT & RISK COMMITTEE



Ms. Aminath Juwaida

Chairperson



Mr. Abdulla Saleem Abdul Sattar



Mr. Mohamed Husham



Mr. Mohamed Anwar Moosa

Focus Areas: financial reporting, internal audit, procurement controls, and risk management.

Composition

The Audit and Risk Committee comprises four members and was established in accordance with the Governance Code, with at least one member possessing appropriate financial expertise. Mr. Mohamed Anwar Moosa was appointed to the Committee on 29 April 2025.

Primary Responsibilities

- Reviewing financial statements to ensure accuracy, completeness, and compliance with applicable standards.
- Overseeing the Company's risk management framework and monitoring key risks.
- Supervising internal and external audit processes, including review of audit plans, findings, and management responses.
- Monitoring compliance with applicable laws, regulations, and internal policies.

The Committee held five (5) meetings during 2025. The Chief Internal Auditor and Chief Financial Officer attended meetings as required.

Name	No. of Meetings
Aminath Juwaida	5/5
Abdulla Saleem Abdul Sattar	5/5
Mohamed Husham	5/5
Mohamed Anwar Moosa	4/5

Key Activities

- Reviewed financial reporting and strengthened internal control processes.
- Oversaw internal and external audit activities, including audit planning and follow-up on key findings.
- Monitored risk management matters, including financial and operational risks.
- Provided oversight on compliance and supported budget review processes.

NOMINATION AND REMUNERATION COMMITTEE



Mr. Abdulla Saleem Abdul Sattar

Chairperson



Mr. Mohamed Husham



Ms. Aminath Juwaida



Ms. Fathmath Fazath

Focus Areas: leadership appointments, performance evaluation, remuneration, and succession planning.

Composition

The Nomination and Remuneration Committee comprises four members and was established in accordance with the Governance Code. No changes were made to the composition during 2025.

Primary Responsibilities

- Identifying and recommending suitable candidates for management appointments.
- Reviewing remuneration policies and practices to ensure alignment with market benchmarks and governance standards.
- Recommending changes to management composition, where necessary.
- Evaluating the performance and remuneration of executive management.
- Ensuring that management compensation aligns with the Company's objectives, values, and long-term interests.

The Committee held five (5) meetings during 2025. Members of Executive Management attended meetings, as required, to provide input on relevant matters.

Name	No. of Meetings
Abdulla Saleem Abdul Sattar	5/5
Mohamed Husham	5/5
Aminath Juwaida	5/5
Fathmath Fazath	5/5

Key Activities

- Reviewed organization structure and leadership arrangements.
- Assessed workforce planning and capability requirements.
- Reviewed executive appointments in line with leadership and succession planning objectives.

CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE



Mr. Mohamed Husham

Chairperson



Mr. Abdulla Saleem Abdul Sattar



Mr. Mohamed Anwar Moosa



Ms. Fathmath Fazath

Focus Areas: corporate governance framework, compliance, and ethical standards.

Composition

The Corporate Governance and Sustainability Committee was established in accordance with the Governance Code and comprised three members at the end of 2024. Following the appointment of Mr. Mohamed Anwar Moosa to the Board in 2025, he was inducted as a member of the Committee.

Primary Responsibilities

- Reviewing and recommending improvements to the Company's corporate governance framework.
- Ensuring alignment with recognized governance practices and standards.
- Overseeing the implementation and adherence to the Code of Conduct.
- Reviewing and updating the Code of Conduct, as required.

The Committee held three (3) meetings during 2025. Relevant members of Management attended meetings, as required, to provide input on relevant matters.

Name	No. of Meetings
Mohamed Husham	3/3
Abdulla Saleem Abdul Sattar	3/3
Mohamed Anwar Moosa	3/3
Fathmath Fazath	3/3

Key Activities

- Reviewed and approved the Corporate Governance Report for 2024.
- Reviewed and recommended key governance policies, including the Procurement Policy, for Board approval.
- Endorsed STO Group policies on Anti-Bribery and Anti-Corruption, Conflict of Interest, and Blacklisting for adoption.
- Oversaw the integration of sustainability and ethical considerations into Company policies and practices.
- Reviewed management performance outcomes and internal policies to support accountability and alignment with governance principles.

CONFLICT OF INTEREST AND MATERIALLY SIGNIFICANT, RELATED PARTY TRANSACTIONS

Maldive Gas Pvt Ltd (MGPL) maintains a formal Disclosure of Interest Policy, aligned with STO Group governance standards and approved by the Board. The policy requires Directors to disclose any actual or potential conflicts of interest, including interests held by their immediate family members, in any company, association, or other affiliation.

All disclosures are submitted on a periodic basis and reviewed to ensure transparency and integrity in decision-making. Where required, additional verification is carried out to support the accuracy of declared interests.

The Company also maintains oversight of related party transactions to ensure that such transactions, if any, are conducted on an arm's length basis and in the best interest of the Company.

During the year 2025, no materially significant related party transactions were recorded. Further, no conflicts of interest were reported that required Board intervention.

CORPORATE GOVERNANCE FRAMEWORK

The Board of Directors of Maldive Gas Pvt Ltd (MGPL) is committed to maintaining high standards of corporate governance in fulfilling its responsibilities to stakeholders. The Board operates within a structured framework supported by clearly defined authority levels, established processes, and effective oversight mechanisms to monitor the Company's performance and operations.

MGPL adheres to the Corporate Governance Code of the STO Group of Companies and, where appropriate, adopts recognised best practices to uphold transparency, accountability, and ethical conduct.

During the year 2025, the Company reviewed and endorsed key STO Group policies, including the Blacklisting Policy and Procedure, the Anti-Bribery and Anti-Corruption Policy and Procedure, and the Disclosure of Interest Policy and Procedure, strengthening the Company's governance and compliance environment.

In addition, MGPL maintains a comprehensive set of internal policies governing its core functions. These include, among others, the Procurement Policy and key human resource policies such as the Staff Loan Policy and Salary and Allowance Structures. These frameworks support consistency in decision-making, reinforce internal controls, and promote accountability across the organisation.

COMPANY SECRETARY

The Company Secretary supports the Board and its directors in fulfilling their duties in the best interests of the Company. The role includes maintaining up-to-date knowledge of corporate governance practices and regulatory requirements, and ensuring that directors are provided with relevant and timely information. The Board is satisfied with the competence and experience of the Company Secretary.

MANAGEMENT REVIEW AND RESPONSIBILITIES

Maldive Gas Pvt Ltd (MGPL) is focused on enhancing the well-being of its key stakeholders, including customers, employees, and shareholders, through continuous service improvement and by addressing their key concerns. The Company understands that this objective depends on sustainable growth, the development of reliable products under trusted brands, strong operational discipline, and a capable and committed workforce.

Management plays a central role in advancing these priorities by promoting continuous improvement, improving operational efficiency, and ensuring that strategies remain aligned with the Company's long-term objectives. Through this approach, MGPL seeks to deliver long-term value and build lasting, trust-based relationships with its stakeholders.

INTERNAL AND EXTERNAL AUDIT

Maldive Gas Pvt Ltd (MGPL) maintains an independent Internal Audit function to support effective governance and internal controls. The Internal Auditor reports functionally to the Chairperson of the Audit and Risk Committee and administratively to the Managing Director, ensuring independence and objectivity.

The function provides assurance to the Board and recommends improvements to strengthen controls and operations. External auditors are appointed by shareholders at the Annual General Meeting, with Deloitte serving as the auditor for 2024. The Audit and Risk Committee oversees their performance and independence.

The Company prepares its financial statements in accordance with IFRS, supporting transparency and reliability. Audit findings are reviewed by the Board and Management, with implementation monitored to ensure continuous improvement.

INTERNAL CONTROL AND RISK MANAGEMENT

Maldive Gas Pvt Ltd (MGPL) maintains a structured internal control and risk management framework to support the achievement of its operational, regulatory, and financial objectives. The framework establishes a disciplined control environment that guides decision-making and promotes accountability across the organisation.

The control environment is supported by clearly defined policies, procedures, operational manuals, codes of conduct, and system-based controls. In 2025, the organisational structure was revised to enhance operational efficiency and accountability. Three functional areas were established, with one area reporting directly to the Managing Director and two areas assigned to the Deputy Managing Directors. Roles, responsibilities, and authority levels are defined in line with the approved Delegation of Authority Matrix.

The Board of Directors retains overall responsibility for the effectiveness of the internal control system. Functional area heads are responsible for implementing and maintaining controls within their respective areas. The Audit and Risk Committee supports the Board by monitoring the adequacy and effectiveness of key policies, control frameworks, and significant accounting practices.

During the year, the Company strengthened its control environment through the revision and implementation of the Delegation Matrix and Authority Matrix, updates to operational manuals, and the enhancement of key policies and procedures, including the Code of Conduct and Employee Handbook. These measures reinforce clarity in authority limits, reporting lines, and accountability across all levels of the organisation.

The internal control framework is aligned with applicable laws, regulatory requirements, and STO Group policies, supporting a consistent and compliant operating environment.

Based on the oversight processes in place and the work of management and internal audit, the Board is of the view that the internal control systems are adequate and effective in supporting the Company’s operations.



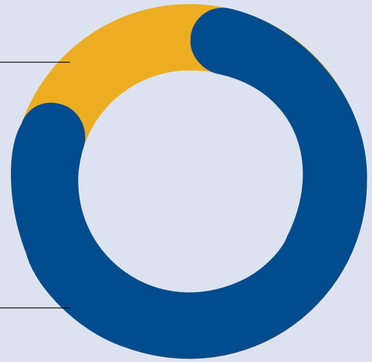
SHARES, SHAREHOLDING AND SHAREHOLDER VOTING RIGHTS

6,800.00

MVR 1,000 amount to
MVR 6,800,000.00

61,200.00

MVR 1,000 amount to
MVR 61,200,000.00



Authorized Capital (MVR)	**80,000,000.00**
Paid Up Capital (MVR)	**68,000,000.00**
Premium (MVR)	**12,000,000.00**

Shareholder voting rights

- 1 Share = 1 Vote
- Equal Dividend Rights
- AMG Held Annually
- External Auditor Appointed by AGM

SYSTEMS FOR RAISING CONCERNS

Maldive Gas Pvt Ltd (MGPL) maintains formal mechanisms for employees, management, and stakeholders to report concerns relating to non-compliance, fraud, or misconduct. Confidential whistleblowing channels are in place, with matters reviewed and, where appropriate, escalated to the Board. The framework protects individuals reporting in good faith and ensures timely and structured handling of all concerns, supporting transparency and accountability.

ANNUAL GENERAL MEETING

The decision-making rights of shareholders are exercised at the General Meetings. The Annual General Meeting of the Company is held during the first half of the year.

Dividend

The final dividend for the financial year 2025 has not yet been declared. The declaration will be considered by shareholders at the forthcoming Annual General Meeting.

Details of Non-Compliance

During the year, Maldive Gas Pvt Ltd (MGPL) did not incur any penalties or sanctions from regulatory or supervisory authorities. The Company maintains processes to ensure compliance with applicable laws and addresses any identified matters in a timely manner, supporting a sound control environment.

GOING CONCERN DECLARATION AND FUTURE OUTLOOK

The Board of Directors of Maldive Gas Pvt Ltd (MGPL) is satisfied that the current composition of the Board and Management brings together the skills, experience, and leadership required to guide the Company toward its strategic and operational goals. This collective capability provides a strong foundation for confidence in the Company's future direction.

The Board remains firmly focused on advancing MGPL's long-term objectives and confirms that the Company is well positioned to continue its operations as a going concern. With clear plans in place and committed leadership, the Board is confident in the Company's ability to execute its strategies effectively and achieve sustainable growth in the years ahead.



MALDIVE GAS

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