



evolving with you

State Trading Organization PLC

The roots of State Trading Organization Plc dates back to 1964 when it was opened to finance the purchasing and importation of essential food items needed for the Maldivian community in bulk. Today STO has sustained this important responsibility to oversee the food security concerns of government and diversified into many other areas of importance such as energy needs of the country which has now become part and parcel of STO's mandate.

Within the framework that includes these two areas STO has diversified and is also competitively engaged in trading in other areas including Consumer Electronics, Home Appliances, Medicals, Canned Foods, Health Foods and a range of other high quality products.

This has been achieved by direct procurement and distribution as well as forming joint ventures to effectively trade in areas which STO might have been at disadvantage had STO not been able to do so, while still maintaining a stronghold with the Government as the primary trading partner of choice.



Mr. Farooq Umar
Chairman

STO has experienced rapid growth and development in the past four decades. When STO first took root in 1964, the outlook for the Maldives was grim to say the least. The population was a mere 100,000. The only communication with the outside world was the Morse code and the ham radio. The only airstrip was one put together by the British Royal Air force and inter-atoll transport was limited to trips on the traditional sailing Dhoni.

The nation was growing, and so were the nation's demands. Now the need is not just for staples like rice sugar and flour, but also for quality merchandise, improved construction material and for state-of-the-art consumer goods.

The winds of change were blowing across the nation and STO responded by looking beyond its traditional role of state trader. It began to take up alternative enterprises to earn foreign exchange and broaden the nation's revenue sources.

Building in a background of solid commercial success, STO has streamlined the operation to where profit and viability are equally important as the need to ensure availability of essential commodities at affordable prices.

Now, STO has become the dynamic organization demanded by a prosperous, rapidly developing country. The Maldivian economy is booming and STO, with diversified business, is a constant source of support.

QUICK FACTS

Corporate Name	STATE TRADING ORGANIZATION PLC
Head Office	Boduthakurufaanu Magu, Maafannu, Male' 20345 Republic of Maldives
Number of Employees	1,000 people (Excluding JVs and Subsidiaries)
Year of Establishment	1964
Subsidiary Companies	Allied Insurance Company Maldives Pvt. Ltd. STO Maldives (Singapore) Pvt. Ltd. Maldives National Oil Company Ltd. Maldivian Gas Pvt. Ltd. Fuel Supplies Maldives Pvt. Ltd.
Joint Ventures and Associate Companies	Maldives Structural Products Pvt. Ltd. Lafarge Maldives Cement Pvt. Ltd.

MISSION

To become the most successful and most efficiently managed multinational company that would make every individual of the nation proud by the year 2014.

VISION

Our corporate mission is to make STO one of the most innovative and efficiently managed multinational companies in the region.

CORE VALUES

Nation first - National interest is number one priority

Customer focus - Delight each and every customer

Employment well-being - Pleasant workplace, learning and growth

Leadership - Excel with reliability, integrity, honesty and transparency

Social Responsibility - Care for the society and the environment



Mr. Shahid Ali
Managing Director

While committing to the highest standards of ethics, and being in line with our vision to contribute to the development of the Maldivian society, we aim to maximize corporate value over long run, and in doing so we become a truly corporate company for the people (serving the nation).

Being a business organization with public interest at the core, our aim is not to compete head-on with every local business, rather we strive to complement them and engage in building businesses that reward the public. Our goal is to attain a high level of trust among all our partners and customers alike.

We are fully aware that our achievements are the work of our dedicated staff who make up STO. In every possible way we will encourage their initiatives, recognize individual input, treat everyone with great respect and fairness, and create ample opportunity for professional growth.



Business Development

STO enhanced existing products and introduced new products to maintain and improve its leadership position in the market. STO believes it is essential to formulate new projects, and supports continually the operations of existing projects to enable sustainable growth of the company.

The new developments being undertaken include expansion and upgrades to regional outlets and the diversification of STO's business operations to venture into tourism and hospitality industry.



DoubleTree by Hilton, Male'

STO has signed an agreement with Hilton International Manage (Maldives) Pvt Ltd on 10th September 2008 to commence the second hotel project of STO. The 5 star, 150-room hotel including convention center, food court, underground parking and a Cineplex is expected to open in 2012. The multi-storey hotel complex will be located on the west side of Male'. The hotel will be marketed and advertised under Double Tree, a brand under Hilton, which comprises of a global infrastructure that supports a worldwide network of more than 3,200 hotels and 545,000 rooms in 77 countries.

The hotel will be conveniently located in Male' 10 minutes from Male' International Airport and will offer all of Hilton's signature comforts.



Radisson Hotel Maldives

The very first city hotel project of STO, Radisson Hotel Maldives is scheduled to open in 2011. This new five star hotel will consist of 500 rooms and suites with stunning sea view and boasts restaurants, state of the art swimming pool and a first-class spa among other facilities. Located in Hulhumale', footsteps away from Male' International Airport, the hotel is targeted for a broad range of travelers. The hotel will allow guests the ease and comfort synonymous with the popular and experienced hotel chain Radisson, which has more than 950 Hotels in 71 countries world-wide. The management agreement for the project was signed between STO and Carlson Group on 14th May 2008.



Regional Expansion and Development

STO has plans to establish storage and warehousing of staple foods and construction materials in the regional provinces of Maldives. This is an initiative to reduce cost and improve efficiency in the STO's regional distribution network.

STO also plans to establish multi-purpose buildings in strategic locations within the country. These buildings would have shops, warehousing and storage areas, in addition to spaces for community based activities and for lease to private sector businesses. With these complexes, STO aims to contribute towards improving the quality of life for those living in the regional provinces of the country by enhancing better access to goods and services. The development of STO shopping complexes in L. Fonadhoo, B. Eydhafushi, S. Hulhumeedhoo and H.Dh. Khulhudhufushi are currently in progress with further expansion in the pipeline.

Marketing

Marketing strategy of STO is to provide reputed and quality products to the market at affordable prices and cater to the needs of different market segments while maintaining a healthy customer relationship. Sales occur at individual outlets, supported by the business development and marketing team.

In the face of increasing competition, STO has been gearing up its sales and marketing effort with positive results. STO's business units Supermart, Electronics, Home Improvement, Medicals and Construction Materials have built an unmatched reputation for offering high quality products with great support.

Many advertising campaigns are conducted in collaboration with major international brands such as Hitachi, Philips, Makita, Devondale and Nippon. In addition, strategically planned nation-wide advertisement campaigns run throughout the year. STO's in-store promotional events have also proven to be very popular and successful in attracting new customers.

STO has a number of very significant sponsorship agreements with NGOs, major sports events and teams. STO gives back to the community with increasing amounts of financial, in-kind and manpower support each year to social activities including its own.



Strategic Investment Initiatives

Venturing in to Hospitality Industry

Development of 2 hotels – Double Tree Hilton at Male' and Raddisson Hotel at Hulhumale'.

Improving Food Security

Developing regional warehouses in the north and south. Building new storage and distribution centers in all provinces.

Ensuring National Energy Security

Increasing supply capacity by investing in oil tankers. Increasing storage and distribution; relocating Funadhoo to a more feasible location. Supporting renewable energy projects to reduce dependency on imported fossil fuels.

Expanding Support to Healthcare

Supply and distribution of pharmaceuticals, medical equipments and supplies. Provision of health insurance through Allied Insurance.

Warehousing Development

Designing and building multi-storey warehouses in Malé where land is scarce and expensive, to improve business efficiency, reduce warehousing cost, and support private sector by leasing out warehouse facilities.

International Trade

Investing in international trade, commodities including oil, grain and others. Investing in properties in growing real estate markets such as India, Sri Lanka, Singapore, Malaysia and Dubai.

Expanding Real Estate Business

Developing new properties in Male' and the atolls for domestic and commercial use.



The new government is pursuing a policy of privatization with emphasis on privatizing state owned enterprises and opening up the national economy for foreign investments.

STO is your investment partner in a variety of sectors:

Opportunity in trading, Petroleum products, Electronics, Home appliances, Hardware, Construction materials, Food & beverages, Pharmaceuticals, Medical equipment and Consumables, and Tourism.





Since 1964

SERVING MALDIVES

Since its establishment in 1964, STO has been the engine of growth in Maldives to raise living standards and encourage development. Today, STO has become the dynamic Organization demanded by a prosperous, rapidly developing country. The Maldivian economy is booming and STO, with diversified business, is a constant source of support. STO is venturing into new businesses including hotel and tourism, and is actively seeking partners in these ventures.



STO People's Choice Electronics

Deals with branded consumer electronics including Home theater systems, Digital photography and Video equipments, Stereo and Hi-fi systems

STO People's Choice Home Improvement

Deals with Home appliances, Paints, Power tools, Furniture and Cooling systems.

STO People's Choice Supermart

Introduced supermarkets to the nation which provided an inexpensive mode of shopping to the public. Wholesaling and Retailing goods ranging from Toiletries, Stationeries, Canned and Frozen foods, Household items and Consumer goods.

STO People's Choice Staple Foods

Since mid 60's, it has been endowed with the responsibility of ensuring availability of staple foods at reasonably affordable prices while maintaining high qualities.

STO People's Choice Construction

Deals Cement, River sand, Deformed bars, Plywood, Timber, and Roofing materials. It also functions as the main distributor of locally packed international standard cement and roofing sheets with the aid of its subsidiaries Maldives Marine Cement and Maldives Structural Products.

STO People's Choice Pharmacy

Provides Pharmaceutical drugs and other medical items to public consumers and corporate clients such as Indra Gandhi Memorial Hospital, Local pharmaceutical companies and the regional hospitals.

STO Peoples Choice Fuel and Lubricants

Supply a wide variety of petroleum products which account for nearly 56% of STO's sales. Imports diesel, Kerosene and Petrol for the whole country and Jet A1 aviation fuel to Maldives Airports Company.

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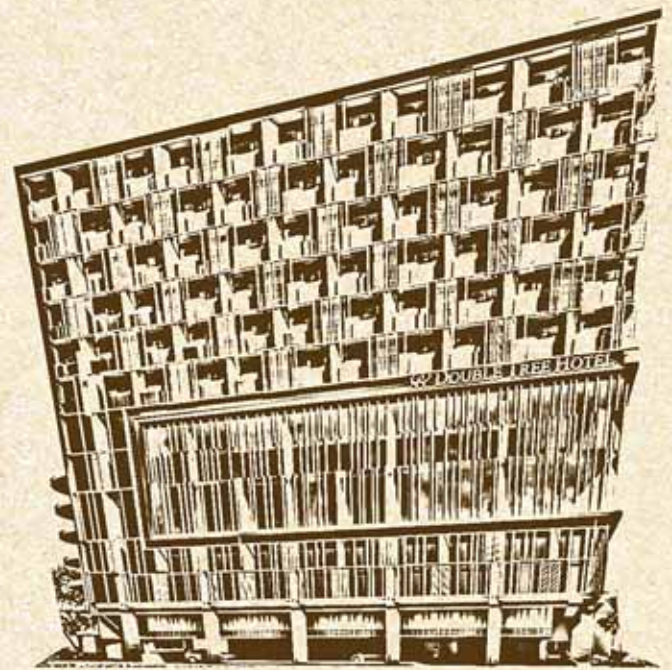
INVESTING IN Maldives Tourism & Hospitality

State Trading Organization proposes to develop two Upscale Hotels, one in Male' the capital of Maldives and one in Hulhumale' the manmade island adjacent to the Airport Island. STO foresees a great opportunity in these projects as these hotels in Male' and Hulhumale' would be able to cater to ever increasing the demand of up market tourists on transit while traveling to their luxury resort destinations, airline crew and business travelers to the Maldives.



DOUBLETREE
by Hilton

To build and operate a luxurious (5-star international standard) hotel by constructing 140 rooms, public spaces, food and beverage facilities and recreational amenities. A suitable land space available for the project is around 14,000 square feet which is located in Male' the capital of Maldives.



Doubletree by Hilton are distinctively designed to provide genuine comfort to todays business and leisure travelers. Hilton Hotels International already operates 3 other properties in the Maldives with a total of 400 rooms, all of which are in the outer atolls.



Description of the facilities

- Air- Conditioned Rooms
- Pool side Bar
- Concierge 24hr
- Restaurants
- Banquet & Conference Facilities
- Laundry Service
- Gift Shop
- Business Center
- Car Park
- Swimming Pool (Terrace)
- Fitness Center
- Jacuzzi & Sauna

Radisson

To build and operate a luxurious (5-star international standard) hotel by constructing 250 rooms, public spaces, food and beverage facilities and recreational amenities. A suitable land space available for the project is around 59,864 square feet which is located in Hulhumale' Island, stones throw away from Male' International Airport.



Radisson Hotel will be the second hotel under development in the Maldives managed by Carlson with luxury Regent resort opening in 2008. With the events market growing steadily due to economic performances in the region, with a special high demand for meetings and incentive facilities in resort locations. It will also have extensive ballroom and banqueting facilities, capitalizing on the growing Meetings, Incentives, Conferences and Exhibitions (MICE) market.



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- Laundry Service
- Gift Shop
- Business Center
- Car Park
- Swimming Pool (Terrace)
- Fitness Center
- Jacuzzi & Sauna
- Diving/Snorkeling