

مركز معلومات النقل



QUARTERLY REPORT 2018

Q4



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KEY DEVELOPMENTS

Key developments in our business and service sectors:

During the 4th Quarter of 2018, a total of 26 construction projects were managed, out of which four projects were successfully completed, including Sh. Komandoo Reclamation, N. Fohdhoo Jetty, GA. Dhaandhoo Football Stadium Reclamation, and Construction of Runway, Taxiway & Apron at Kulhudhuffushi Airport. Hdh. Kulhudhuffushi Harbor Expansion project was awarded to MTCC during the quarter and two other projects were started as well.



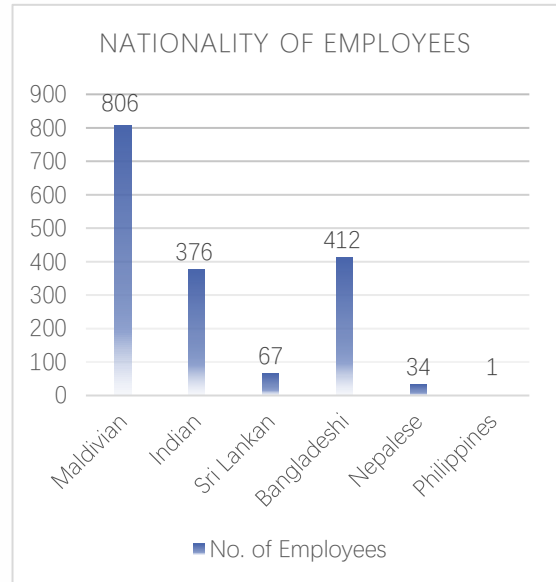
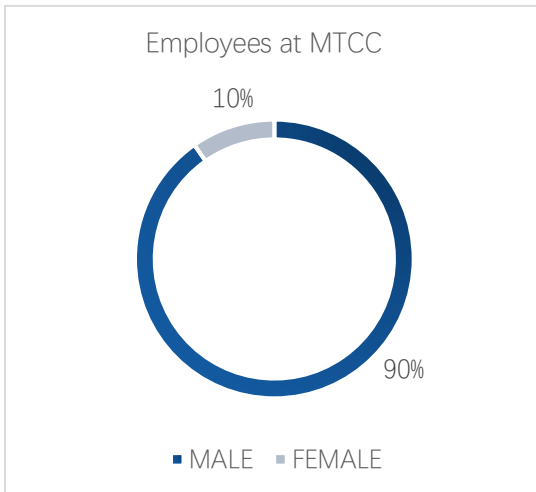
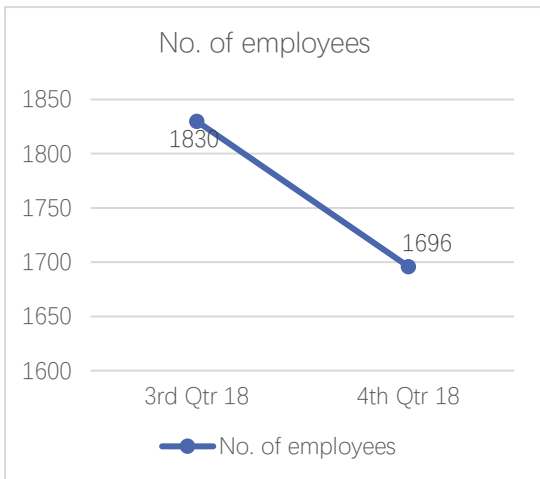
MTCC carried out seven dredging, reclamation and other projects during the 4th quarter. These projects include; Sawmill Relocation project, Land reclamation and Shore protection at K. Thilafushi project, Gdh. Faresmaathoda Land Reclamation and Shore Protection, Ha. Maafinolhu Land Reclamation and shore protection, K. Hura Land Reclamation & Shore Protection project (13 Hec), K. Hura Land Reclamation (10 Hec), and Maavaru Lagoon Land Reclamation Project. Among these projects, K. Hura Reclamation Project (10 Hec) was completed during the quarter.



Additionally, MTCC's Yanmar and Suzuki brands were nominated for Maldives Boating Awards 2018, where Yanmar won the title of the 'Most Preferred Marine Engine Brand of the Year (Main Engine)'. MTCC also won the title of Best Health and Wellness Initiative Award at the Maldives HR Awards 2018.

HUMAN DEVELOPMENT

By the end of the 4th Quarter of 2018, there were a total of 1696 staff employed at MTCC, which shows a 7.32% decrease in the number of employees compared to the 3rd Quarter of 2018.



We are committed to effective employee training and development strategies to ensure that we have the adequate skills and expertise to drive our businesses.

We have always worked to ensure that our staff remains competent in their areas of work, with knowledge and expertise of the latest developments in their field. As such, during the last quarter a total of 25 staff were enrolled in various local and overseas training programs.

CLUB MTCC

MTCC Annual Fishing tournament was held on 18th October 2018, where a total of 18 different teams from various departments of MTCC participated. The main aim of this event was to foster employee engagement and build better relationships among the staff. Each team, comprising of 10 members were given the task to catch the most fish within the provided time limit. Awards were presented to the winning teams and staff that were able to score the best catch.



MARKETING ACTIVITIES

During the 4th Quarter of 2018, MTCC held the year end sale 'Kashavaru Promo', to increase sales of the companies' products. Additionally, MTCC organized various seminars and training programs for its Suzuki and Yanmar brands to educate customers on our engines and give them the knowledge on engine maintenance. MTCC also signed a sales contract with Fenaka Corporation to supply lubricating oil used by Fenaka in various atolls.

CSR ACTIVITIES

During November 2018, MTCC partnered with ADK for the Maldives Brain Spine Conference, an event recognized among medical professionals. Held at Kurumba Maldives from 6th – 7th November, MTCC sponsored this event as a CSR Initiative, and featured the company brand as part of it.

BOARD ACTIVITIES

BOARD OF DIRECTORS

The Board of Directors comprises of 07 directors. With respect to the shareholding of the Company 05 directors are appointed by the Government of Maldives and 02 directors are elected by the Public Shareholders at the Shareholder meeting.

However, as Chairman Mr. Ahmed Niyaz was removed from his position Board of Director (Chairman) of MTCC by the Privatization and Corporation Board on the 22nd of November 2018, the position of Chairman is currently vacant. Mr. Ibrahim Ziyath was removed from his position as Chief Executive Officer and Board Director by Privatization and Corporatization Board on 22nd November 2018, and Mr. Hassan Shah was appointed as Managing Director/ Chief Executive Officer and Board Director on the 11th of December 2018.



Mr. Hassan Shah
Executive Director
Chief Executive Officer



Mr. Ahmed Kurik Riza
Executive Director
Chief Operating Officer



Ms. Nashima Abdul Latheef
Non- Executive Director
(Government)



Mr. Ahmed Abdullah
Non- Executive Director
(Government)



Mr. Nasrath Mohamed
Non- Executive Director
(Public)



Mr. Mansoor Zubair
Non- Executive Director
(Public)

BOARD MEETINGS

Frequency of board and committee meetings are as follows;

05

Board Meeting

05

Audit & Risk Committee

01

CGC Committee Meeting

00

N&R Committee Meeting

BOARD DECISIONS

- Approved 3rd Quarter Report
 - Approved the CSR Policy
 - Approved the Insider Trading Policy, Conflict of Interest Policy, Director's Training and Induction Policy; and Board Evaluation Policy
 - Approved discontinuation of Normal Ferry and Express Launch services by Transport Department and to continue only Premium Ferry Service.
 - Conducted Board Evaluation for the year 2018
 - Appointed Mr. Ahmed Kurik Riza as Acting Chief Executive Officer
 - Endorsed the appointment of Mr. Hassan Shah as Managing Director/ Chief Executive Officer
-


FINANCIAL STATEMENTS

INCOME STATEMENT (UNAUDITED)

All amounts in MVR	4 th Quarter 2018	4 th Quarter 2017
Sales	363,156,856	382,948,357
Cost of sales	(301,405,784)	(251,329,738)
<i>Gross profit</i>	61,751,072	131,618,619
Selling and marketing costs	(14,376,998)	(7,018,919)
Administrative expenses	(32,209,537)	(40,201,077)
Other income	6,935,993	5,959,477
Other expenses	(6,628,570)	(5,326,514)
<i>Operating profit</i>	15,471,960	85,031,586
Finance costs	(11,997,815)	(9,001,236)
<i>Profit before tax</i>	3,474,145	76,030,350
Business profit tax	(521,122)	21,311,224
<i>Profit after tax</i>	2,953,023	97,341,574



Hassan Shah
Chief Executive Officer



Mohamed Hilmy
Chief Financial Officer

BALANCE SHEET (UNAUDITED)

All amounts in MVR	4 th Quarter 2018	4 th Quarter 2017
ASSETS		
<u>Non-current assets</u>		
Property, plant and equipment	917,515,753	914,348,240
Financial investments	50,921,700	81,595,140
Intangible assets	162,306	445,965
Deferred Tax	33,161,843	33,161,843
Trade and Other Receivable	7,661,600	10,181,549
<i>Total non-current assets</i>	1,009,423,202	1,039,732,737
<u>Current assets</u>		
Inventories	213,394,116	212,487,783
Trade and other receivables	679,043,432	874,624,175
Cash and cash equivalents	56,588,413	103,585,399
<i>Total current assets</i>	949,025,961	1,190,697,357
TOTAL ASSETS	1,958,449,163	2,230,430,094
EQUITY AND LIABILITIES		
<u>Equity</u>		
Share capital	40,188,745	25,000,000
Share Premium	173,151,693	-
General reserve	225,000,000	225,000,000
Fair value reserve	30,614,397	61,287,838
Advance Received from shareholders	-	183,355,845
Retained earnings	479,421,520	474,805,296
<i>Reserves</i>	908,187,610	944,448,979
TOTAL EQUITY	948,376,355	969,448,979
<u>Liabilities</u>		
Borrowings	316,330,570	387,769,106
<i>Total non-current liabilities</i>	316,330,570	387,769,106
Trade and other payables	344,570,582	544,814,152
Borrowings	336,234,001	328,397,857
Bank overdrafts	12,937,655	-
<i>Total current liabilities</i>	693,742,238	873,212,009
<i>Total liabilities</i>	1,010,072,808	1,260,981,115
TOTAL EQUITY AND LIABILITIES	1,958,449,163	2,230,430,094

CASH FLOW STATEMENT (UNAUDITED)

Figures in MVR	4 th Quarter 2018	4 th Quarter 2017
<u>Operating activities</u>		
Profit before tax for the period	3,474,145	76,030,350
Adjustment for:		
Depreciation & amortization	36,425,264	30,566,684
Provision for impairment of receivables	12,347,329	4,545,103
Dividend Income	(4,820,112)	-
Provision for inventory	-	1,313,696
Interest income	(815,734)	-
Interest expense	12,296,679	14,637,956
<u>Working capital adjustments</u>		
Decrease / (increase) in trade and other receivables	(10,309,749)	(173,457,025)
Decrease / (increase) in Inventories	60,534,008	7,604,882
(Decrease) / increase in trade and other payables	(63,245,935)	112,491,018
<i>Net cash flows from operating activities</i>	45,885,895	73,732,664
<u>Investing activities</u>		
Purchase of property plant & equipment	(3,401,780)	(34,171,583)
Dividend Received	4,820,112	-
Interest received	815,734	-
<i>Net cash flows used in investing activities</i>	2,234,066	(34,171,583)
<u>Financing activities</u>		
Proceeds from borrowings	-	-
Repayment of borrowings	(21,303,263)	(19,442,529)
Proceeds from rights issue share capital	-	13,735,845
Interest paid	(12,296,679)	(14,637,956)
Dividend paid	(1,899,216)	(81,015)
<i>Net cash flows from financing activities</i>	(35,499,158)	(20,425,655)
Net change in cash and cash equivalents	12,620,803	19,135,426
Cash and cash equivalents, and bank overdrafts- Opening	31,029,955	84,449,973
Cash and cash equivalents, and bank overdrafts – Closing	43,650,758	103,585,399

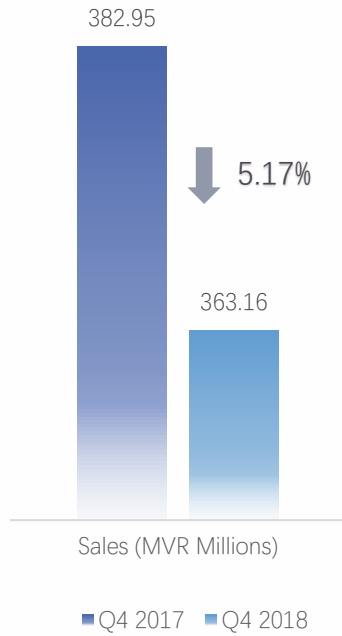
SEGMENTAL PERFORMANCE (UNAUDITED)

Period from 1 st October to 31 st December 2018	Total	Trading	Contracting	Dredging	Logistics	Transport	Engineering & Docking	Others
Revenue	363,156,856	72,775,852	190,111,596	64,180,509	9,316,157	23,174,172	3,598,570	-
Operating profit / (loss)	15,471,960	5,731,766	44,151,563	8,757,176	(1,203,651)	(30,472,230)	1,150,160	(12,642,824)
Finance income / (cost)	(11,997,815)	(1,061,687)	(2,869,457)	(6,839,905)	(1,082,680)	-	-	(144,086)
Profit / (loss) before tax	3,474,145	4,670,079	1,917,271	(1,917,271)	(2,286,331)	(30,472,230)	1,150,160	(12,786,910)
Business profit tax	(521,122)	-	-	-	-	-	-	(521,122)
Profit / (loss) after tax	2,953,023	4,670,079	1,917,271	1,917,271	(2,286,331)	(30,472,230)	1,150,160	(13,308,032)

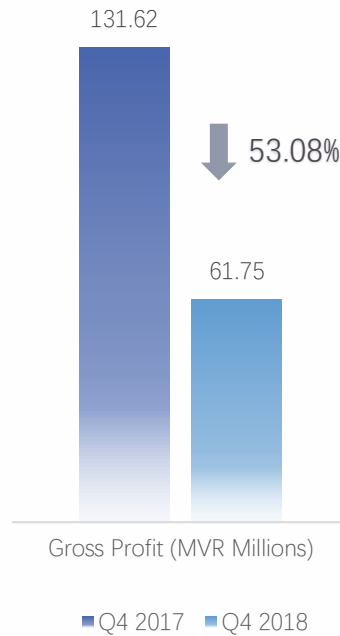
Period from 1 st October to 31 st December 2017	Total	Trading	Contracting	Dredging	Logistics	Transport	Engineering & Docking	Others
Revenue	382,948,357	59,677,888	243,829,964	33,684,569	7,349,574	34,855,175	3,551,187	-
Operating profit / (loss)	85,031,586	7,671,925	112,106,917	1,934,981	4,313,667	(14,030,488)	(1,711,580)	(25,253,836)
Finance income / (cost)	(9,001,236)	(261,049)	(3,085,722)	(7,378,839)	(1,291,883)	199,521	-	2,816,736
Profit / (loss) before tax	76,030,350	7,410,876	109,021,195	(5,443,858)	3,021,784	(13,830,967)	(1,711,580)	(22,437,100)
Business profit tax	21,311,224	-	-	-	-	-	-	21,311,224
Profit / (loss) after tax	97,341,574	7,410,876	109,021,195	(5,443,858)	3,021,784	(13,830,967)	(1,711,580)	(1,125,876)

FINANCIAL HIGHLIGHTS

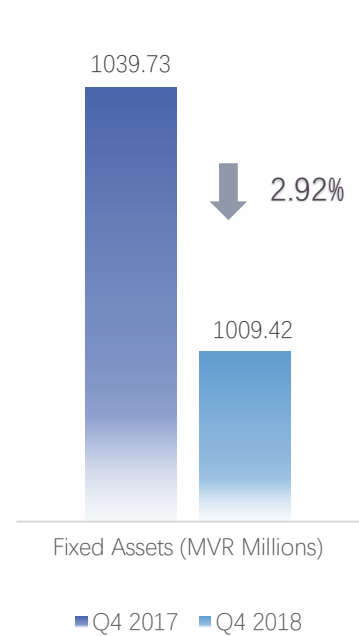
SALES



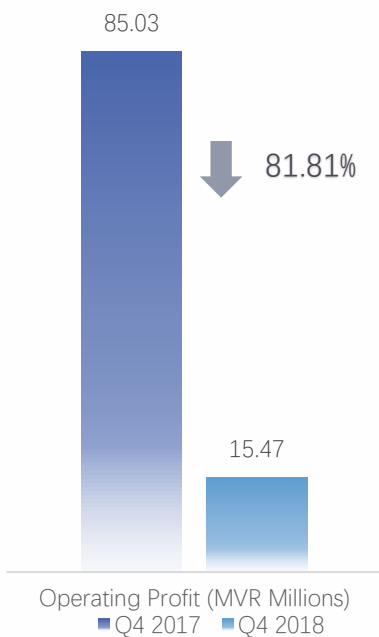
GROSS PROFIT



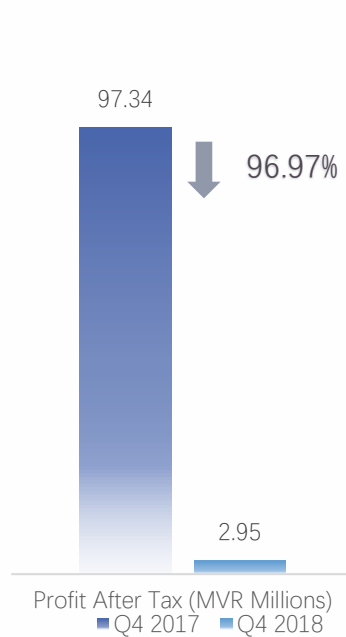
FIXED ASSETS



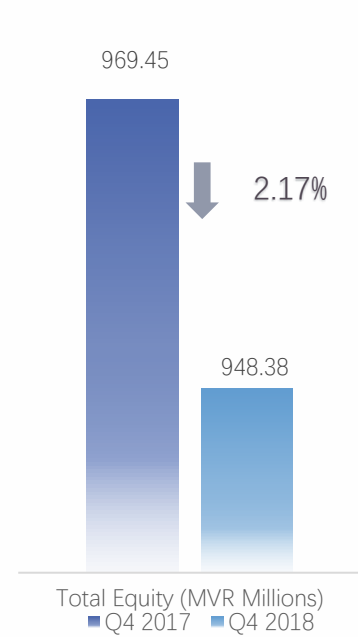
OPERATING PROFIT



PROFIT AFTER TAX



TOTAL EQUITY



OUR SHARE

Trading of the Company shares at Maldives Stock Exchange include five transactions, during the 4th quarter. The last trading activity was carried out on 3rd December 2018 at MVR 45.00.

The Dividend yield for MTCC Share is being calculated based on dividend value of MVR 2.60 approved by the Shareholders in 2017 Annual General Meeting.

	4th Quarter, 2018	4th Quarter, 2017
Lowest traded price (MVR)	45	-
Highest traded price (MVR)	46	-
Last traded price (MVR)	45	22.00
Weighted average traded price (MVR)	45.36	-
No. of shares traded	440	0
Market capitalization (MVR millions)	361.70	110.00
Dividend Yield	5.78%	10.91%
Earnings per share (MVR)	0.37	13.48
Price Earnings Ratio	122.48	1.63

DECLARATION

CORPORATE GOVERNANCE CODE AND LISTING RULES COMPLIANCE

The Company follows the Corporate Governance Code, Listing Rules, CDOI regulation and Securities Act. The Company complies with the provisions of its internal policies and procedures and other applicable rules and regulations and operate the company in fair and transparent manner.

RULES OF REPORTING

This Report has been prepared in compliance with CMDA's Minimum Quarterly Reporting Requirements for Listed Companies. The 4th quarter report of 2018 includes the milestones achieved during the quarter.

The Company published its 3rd Quarter Report of 2018 on 14th November 2018, with a fine of MVR30,000.00 paid to CMDA, for the delay in publishing the report as per Continuing Disclosure Obligation of Issuers.

It also includes the share activities at the Maldives Stock Exchange and discloses all information obligated by the Continuing Disclosure Obligations of Issuers of the Capital Market Development Authority.

Maldives Transport and Contracting Company Plc.

 7th Floor, MTCC Tower, Boduthakurufaanu Magu, Male'

 +960 3326822

 +960 3323221

 info@mtcc.com.mv

 mtcc.mv



/ MTCCPlc



/ mtcc.plc



/ mtccplc