

مركز معلومات
البحر الأحمر



QUARTERLY REPORT

2018



C O N T E N T

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KEY DEVELOPMENTS

Key developments in our business and service sectors during the quarter:

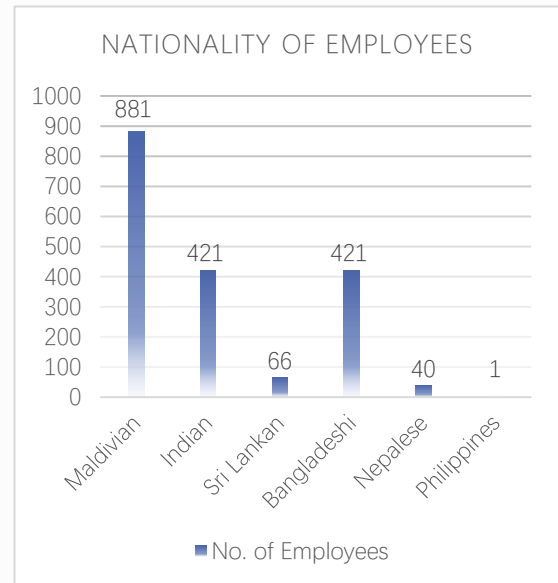
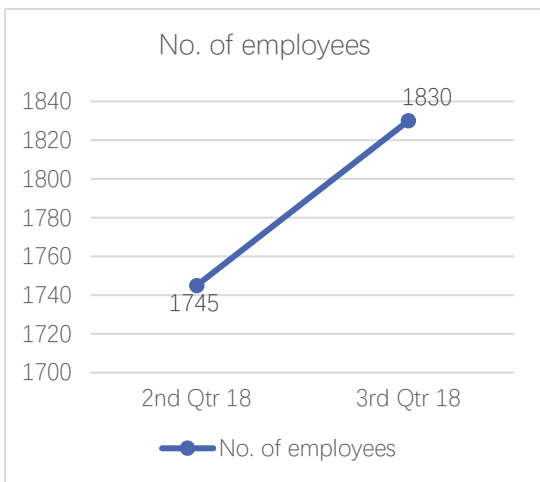
During the 3rd Quarter of 2018, a total of 29 construction projects were managed, out of which nine projects were successfully completed, two new projects were commenced, and three projects were awarded.

MTCC carried out six dredging and reclamation projects during the 3rd quarter, out of which one project was successfully completed. Ongoing 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; and K. Hura Reclamation project.

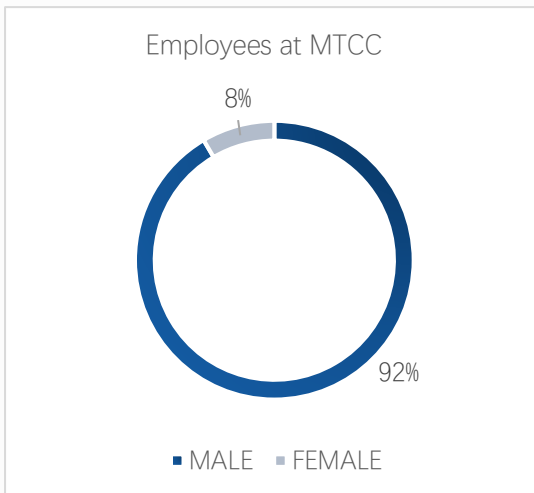
The inauguration of the Sinamale' Bridge on August 30th and opening it for the Public on Sept 7th, marked a significant development of inter-island transportation for Maldives, connecting Male' and Hulhumale' via Hulhule'. In response to the changes in consumer demand, MTCC has started new bus routes interconnecting with the Bridge bus route as well as the bus routes within Hulhumale'. Additionally, we have expanded our Private Hire operations to Male' via Sinamale Bridge, along with changes to the Hulhumale' Ferry Link schedule.

HUMAN DEVELOPMENT

By the end of the 3rd Quarter of 2018, there were a total of 1830 staff employed at MTCC, which shows a 4.87% increase in the number of employees compared to the 2nd 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 114 staff were enrolled in various local and overseas training programs.

CLUB MTCC

MTCC took part in Government Office / Company 4th badminton championship 2018 men's division, organized by Badminton association of Maldives. A total of 12 teams took part in the Inter Office Badminton Tournament which was carried out from the 6th to 14th August 2018. MTCC team played in finals against STELCO and lost the match to STELCO.



MTCC organized the biggest Futsal tournament held for the institutions in Villimale', on 8th July 2018 at Villimale' Futsal stadium. A total of 13 organizations took part in this tournament. A team from MTCC also participated in this tournament, where we played in the finals against Villimale' Hiya on 18th July 2018. The match was won by Villimale' Hiya.



MARKETING ACTIVITIES

During the 3rd Quarter of 2018, MTCC visited HA. Ihavanhoo for promotion of marine products portfolio by consolidating sales, especially for Yanmar Engines. Additionally, the Company organized various seminars and promotions to market the Suzuki and Castrol brands to the customers and increase sales of these products.



CSR ACTIVITIES

On 31st August 2018, MTCC carried out the 'Clean up the world' Campaign in collaboration with a local NGO "Save the Beach", focusing on preserving the beaches in the Maldives. The event took place in K. Maafushi where participants grouped into six teams were challenged to collect as much as waste from the beach area to win the prize. The event was successfully completed with over 1258kgs of waste collected by the teams, along with numerous positive feedbacks from the locals of the island.



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.



Ahmed Niyaz
Chairman



Ibrahim Ziyath
Chief Executive Officer



Ahmed Kurik Riza
Executive Director



Nashima Abdul Latheef
Non- Executive Director
(Government)



Ahmed Abdullah
Non- Executive Director
(Government)



Nasrath Mohamed
Non- Executive Director
(Public)



Mansoor Zubair
Non- Executive Director
(Public)

BOARD MEETINGS

Frequency of board and committee meetings are as follows;

03

Board Meeting

04

Audit & Risk Committee

00

CGC Committee Meeting

01

N&R Committee Meeting

BOARD DECISIONS

- Approved the 2nd Quarterly Report 2018
- Approved the pricing rates for MTCC Hiyaa Project for employees and the Public, and approved the criteria for eligibility of applicants.
- Approved to publish AGM 2017 minutes for shareholders to comments.
- Approved the disposal of assets.
- Approved the Revised Procurement Policy
- Approved disposal of assets submitted by Transport Services Department

FINANCIAL STATEMENTS

INCOME STATEMENT (UNAUDITED)

All amounts in MVR	3rd Quarter 2018	3rd Quarter 2017
Sales	308,219,436	264,650,687
Cost of sales	(260,616,434)	(205,963,175)
<i>Gross profit</i>	47,603,002	58,687,512
Selling and marketing costs	(1,887,513)	(4,802,414)
Administrative expenses	(35,824,042)	(32,774,847)
Other income	7,656,104	6,442,491
Other expenses	(5,261,749)	(3,447,497)
<i>Operating profit</i>	12,285,802	24,105,245
Finance costs	(11,899,963)	(3,605,601)
<i>Profit before tax</i>	385,839	20,499,644
Business profit tax	(57,876)	(3,074,947)
<i>Profit after tax</i>	327,963	17,424,697



Ibrahim Ziyath
Chief Executive Officer



Mohamed Hilmy
Chief Financial Officer

BALANCE SHEET (UNAUDITED)

All amounts in MVR	3rd Quarter 2018	3rd Quarter 2017
ASSETS		
<u>Non-current assets</u>		
Property, plant and equipment	950,498,284	957,120,346
Financial investments	72,831,300	39,966,900
Intangible assets	203,259	567,428
Deferred Tax	33,161,843	5,017,392
Trade and Other Receivable	7,524,083	10,280,560
<i>Total non-current assets</i>	1,064,218,769	1,012,952,626
<u>Current assets</u>		
Inventories	273,928,124	221,406,361
Trade and other receivables	681,218,529	659,114,774
Cash and cash equivalents	44,171,803	84,449,973
<i>Total current assets</i>	999,318,456	964,971,108
TOTAL ASSETS	2,063,537,225	1,977,923,734
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	52,523,997	30,475,099
Advance Received from shareholders	-	169,620,000
Retained earnings	476,468,497	377,463,722
<i>Reserves</i>	927,144,187	802,558,821
TOTAL EQUITY	967,332,932	827,558,821
<u>Liabilities</u>		
Borrowings	336,563,736	406,110,026
<i>Total non-current liabilities</i>	336,563,736	406,110,026
Trade and other payables	409,194,611	414,755,421
Borrowings	337,304,098	329,499,466
Bank overdrafts	13,141,848	-
<i>Total current liabilities</i>	759,640,557	744,254,887
<i>Total liabilities</i>	1,096,204,293	1,150,364,913
TOTAL EQUITY AND LIABILITIES	2,063,537,225	1,977,923,734

CASH FLOW STATEMENT (UNAUDITED)

Figures in MVR	3rd Quarter 2018	3rd Quarter 2017
<u>Operating activities</u>		
Profit before tax for the period	385,839	20,499,644
Adjustment for:		
Depreciation & amortization	36,077,025	25,528,933
Provision for impairment of receivables	-	1,000,000
Dividend Income	-	(4,381,920)
Provision for inventory	2,000,000	-
Interest income	(53,830)	-
Interest expense	12,194,997	4,307,141
<u>Working capital adjustments</u>		
Decrease / (increase) in trade and other receivables	43,642,569	(2,470,353)
Decrease / (increase) in Inventories	(38,891,394)	(16,790,164)
(Decrease) / increase in trade and other payables	(26,481,820)	(34,228,606)
<i>Net cash flows from operating activities</i>	28,873,386	(6,535,325)
<u>Investing activities</u>		
Purchase of property plant & equipment	(43,312,752)	(505,759,970)
Dividend Received	-	4,381,920
Interest received	53,830	-
<i>Net cash flows used in investing activities</i>	(43,258,922)	(501,378,050)
<u>Financing activities</u>		
Proceeds from borrowings	12,239,786	538,435,357
Repayment of borrowings	(28,887,854)	(8,736,371)
Interest paid	(12,194,997)	(4,307,141)
Dividend paid	(2,011,341)	(186,622)
<i>Net cash flows from financing activities</i>	(30,854,406)	(525,205,223)
Net decrease in cash and cash equivalents	(45,239,942)	17,291,848
Cash and cash equivalents, and bank overdrafts- Opening	76,269,897	67,158,125
Cash and cash equivalents, and bank overdrafts – Closing	31,029,955	84,449,973

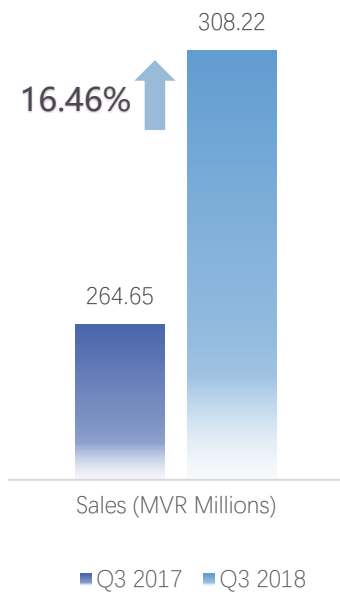
SEGMENTAL PERFORMANCE (UNAUDITED)

Period from 1 st July to 30 th September 2018	Total	Trading	Contracting	Dredging	Logistics	Transport	Engineering & Docking	Others
Revenue	308,219,436	50,352,229	155,932,566	61,526,816	2,870,061	34,391,776	3,145,988	-
Operating profit / (loss)	12,285,802	5,627,680	32,370,924	4,396,438	2,422,391	(13,306,885)	152,755	(19,377,501)
Finance income / (cost)	(11,899,963)	(930,408)	(2,592,026)	(7,104,659)	(1,020,401)	-	-	(252,469)
Profit / (loss) before tax	385,839	4,697,272	29,778,898	(2,708,221)	1,401,990	(13,306,885)	152,755	(19,629,970)
Business profit tax	(57,876)	-	-	-	-	-	-	(57,876)
Profit / (loss) after tax	327,963	4,697,272	29,778,898	(2,708,221)	1,401,990	(13,306,885)	152,755	(19,687,846)

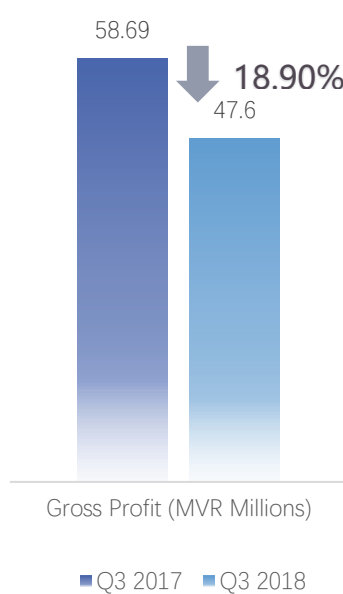
Period from 1 st July to 30 th September 2017	Total	Trading	Contracting	Dredging	Logistics	Transport	Engineering & Docking	Others
Revenue	264,650,687	54,363,713	154,245,214	15,149,762	4,941,580	34,929,375	342,962	678,081
Operating profit / (loss)	24,105,245	5,501,761	36,276,565	2,866,058	3,058,242	(10,097,211)	(1,269,514)	(12,230,656)
Finance income / (cost)	(3,605,601)	(1,411,747)	(1,369,354)	-	(911,643)	(171,351)	-	258,494
Profit / (loss) before tax	20,499,644	4,090,014	34,907,211	2,866,058	2,146,599	(10,268,562)	(1,269,514)	(11,972,162)
Business profit tax	(3,074,947)	-	-	-	-	-	-	(3,074,947)
Profit / (loss) after tax	17,424,697	4,090,014	34,907,211	2,866,058	2,146,599	(10,268,562)	(1,269,514)	(15,047,109)

FINANCIAL HIGHLIGHTS

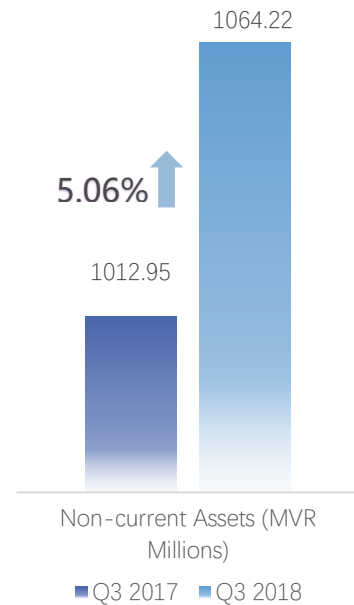
SALES



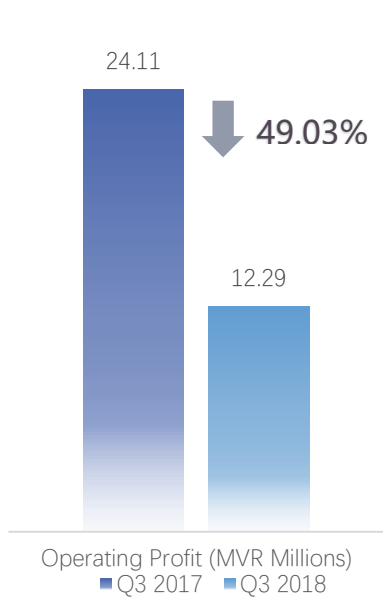
GROSS PROFIT



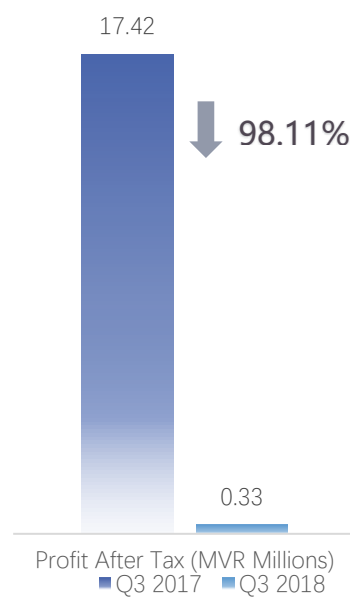
FIXED ASSETS



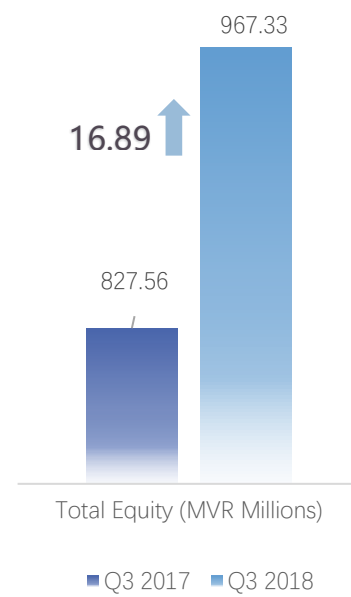
OPERATING PROFIT



PROFIT AFTER TAX



TOTAL EQUITY



OUR SHARE

Trading of the Company shares at Maldives Stock Exchange include three transactions, during the second quarter. The last trading activity was carried out on 05th September 2018 at MVR 55.00.

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.

	3rd Quarter, 2018	3rd Quarter, 2017
Lowest traded price (MVR)	55	-
Highest traded price (MVR)	65	-
Last traded price (MVR)	55	155.00
Weighted average traded price (MVR)	55.44	-
No. of shares traded	225	0
Market capitalization (MVR millions)	442.08	77.50
Dividend Yield	4.73%	15.48%
Earnings per share (MVR)	0.04	34.85
Price Earnings Ratio	1347.95	4.45

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 3rd quarter report of 2018 includes the milestones achieved during the quarter. 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.

This report is published on 14th November 2018.

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