



QUARTERLY REPORT
2019

Q3

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KEY DEVELOPMENTS

The 2018 Annual General Meeting of Maldives Transport and Contracting Company Plc was held on 08th July 2019 at Hotel Jen. The following was approved by the shareholders in the meeting:

- Minutes of the Annual General Meeting 2017
- Directors Report for the year 2018
- Audited financial statements for the year 2018
- Dividend for the year 2018 not to be paid to shareholders, due to the financial situation of the Company
- PWC was selected as the external Auditors for 2019 for an Audit fee of MVR 400,262.00
- Appointment of two Public Directors

During the 03rd Quarter of 2019, we progressed work on 45 Construction Projects out of which 02 projects were successfully completed. Work on 05 new projects commenced during the quarter while 38 new projects were awarded to us.

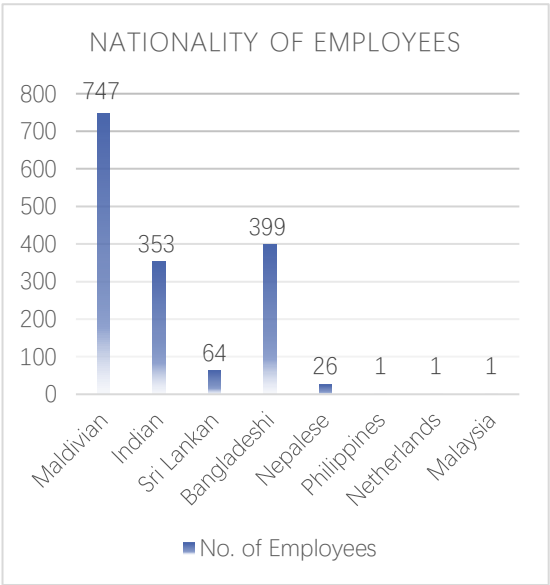
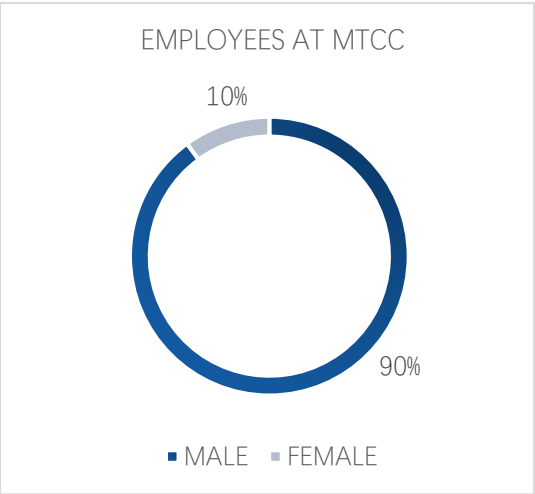
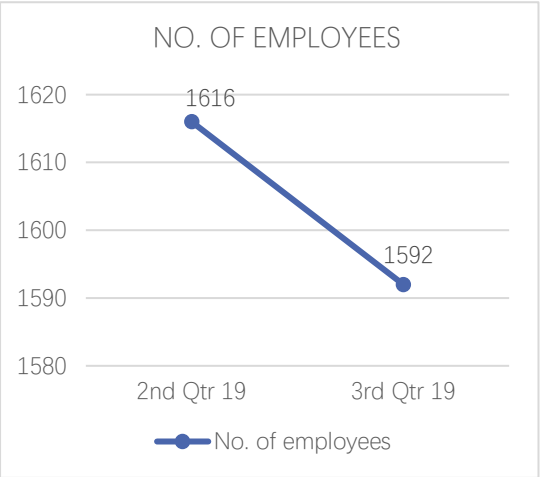
MTCC also carried out a total of 05 Dredging and Reclamation Project and 01 special project during the quarter. These include;

- Sawmill Relocation Project
- Land Reclamation and Shore Protection at K.Thilafushi Project
- K.Hura Land Reclamation & Shore Protection
- Expansion of Maadhoo Island
- Land Reclamation and Shore Protection of Ha. Hoarafushi
- Gdh. Faresmaathoda Land Reclamation and Shore Protection

During the quarter, MTCC expanded its transport services to M. F. and Dh. Atoll, along with Ha. And Hdh. Atoll. Changes were made to ferry schedules at Th. Atoll to further improve the service provided to passengers.

HUMAN DEVELOPMENT

By the end of 03rd Quarter of 2019, there were a total of 1592 staff employed at MTCC, which is a 1.49% decrease in the number of employees compared to the 02nd Quarter of 2019.



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 229 staff were enrolled in various local and overseas training programs.

MARKETING ACTIVITIES

During the 03rd Quarter of 2019, Saabas Yanmar Promotion was launched at MTCC Kashavaru Showroom. This promotion was carried out from 15th July to 31st August 2019, with the objective of increasing sales for Yanmar Marine engines.

MTCC also organized the Yanmar Technical Training from 15th September to 17th September 2019, targeted towards corporate customers, MTCC engineering staff and mechanical engineering students from Maldives Polytechnic. This training was conducted in collaboration with Yanmar Asia Singapore Corporation with a total of 24 participants.

On 21st September 2019, MTCC organized the 'Suzuki Clean the Beach Event' in collaboration with Save the Beach (NGO), where participants were provided information regarding the current situation of the world environment. This event was successfully concluded with a collection of 337.7kg of waste from Villingili Beach.

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 Annual General Meeting. Mr. Fathulla Ismail and Mr. Ahmed Aboobakuru were appointed by the shareholders at the Annual General Meeting of 2018.



Mr. Mohamed Faheem
Chairman
Non- Executive Director
(Government)



Mr. Hassan Shah
Executive Director
Chief Executive Officer
(Government)



Mr. Shahid Hussain Moosa
Executive Director
Chief Operating Officer
(Government)



Mr. Sinaan Ali
Non- Executive Director
(Government)



Mr. Abdulla Shairu
Non- Executive Director
(Government)



Mr. Fathulla Ismail
Non- Executive Director
(Public)



Mr. Ahmed Aboobakuru
Non- Executive Director
(Public)

BOARD MEETINGS

Frequency of board and committee meetings during the 03rd Quarter are as follows;

06

Board Meeting

07

Audit & Risk Committee

01

CGC Committee Meeting

02

N&R Committee Meeting

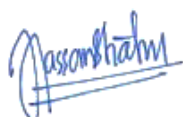
BOARD DECISIONS

- Approved the 02nd Quarter Report 2019
 - Approved provision of transport services to M. F. and Dh. Atoll
 - Approved provision of high-speed transport services to Ha. and Hdh. Atoll
 - Endorsed Mr. Mohamed Faheem as Chairman of Board of Directors after AGM 2018
 - Endorsed Mr. Hassan Shah as Chief Executive Officer of MTCC after AGM 2018
 - Formation of Board Sub Committees after Annual General Meeting 2018
-

FINANCIAL STATEMENTS

INCOME STATEMENT (UNAUDITED)

All amounts in MVR	3 rd Quarter 2019	2 nd Quarter 2019
Sales	282,822,332	266,010,142
Cost of sales	(234,584,902)	(240,194,150)
Gross profit	48,237,430	25,815,992
Selling and marketing costs	(2,249,638)	(2,160,743)
Administrative expenses	(27,765,844)	(27,479,753)
Other income	9,459,774	3,187,855
Other expenses	(3,568,767)	(1,184,771)
Operating profit	24,112,955	(1,821,420)
Finance costs	(8,165,240)	(11,645,390)
Profit before tax	15,947,715	(13,466,810)
Business profit tax	-	(774,304)
Profit after tax	15,947,715	(14,214,114)



Hassan Shah
Chief Executive Officer



Mohamed Hilmy
Chief Financial Officer

BALANCE SHEET (UNAUDITED)

All amounts in MVR	3 rd Quarter 2019	2 nd Quarter 2019
ASSETS		
Non-current assets		
Property, plant and equipment	898,023,426	917,405,453
Financial investments	50,921,700	50,921,700
Intangible assets	14,349,518	14,461,455
Deferred Tax	53,189,401	53,189,401
Trade and other Receivable	6,436,607	8,104,327
Total non-current assets	1,022,920,652	1,044,082,336
Current assets		
Inventories	210,295,918	212,795,745
Trade and other receivables	756,045,110	627,980,250
Cash and cash equivalents	49,099,551	47,243,966
Total current assets	1,015,440,579	888,019,961
TOTAL ASSETS	2,038,361,231	1,932,102,297
EQUITY AND LIABILITIES		
Share capital	40,188,745	40,188,745
Share Premium	173,151,693	173,151,693
General reserve	225,000,000	225,000,000
Fair value reserve	35,215,414	35,215,414
Advance received from shareholders	-	-
Retained earnings	417,675,788	401,728,073
Reserves	851,042,895	835,095,180
TOTAL EQUITY	891,231,640	875,283,925
Liabilities		
Borrowings	338,035,967	281,487,846
Employee Retirement Benefit	21,037,843	21,037,843
Total non-current liabilities	359,073,810	302,525,689
Trade and other payables	519,635,694	409,718,272
Borrowings	250,119,746	330,818,821
Bank overdrafts	18,300,341	13,755,590
Total current liabilities	788,055,781	754,292,683
Total liabilities	1,147,129,591	1,056,818,372
TOTAL EQUITY AND LIABILITIES	2,038,361,231	1,932,102,297

CASH FLOW STATEMENT (UNAUDITED)

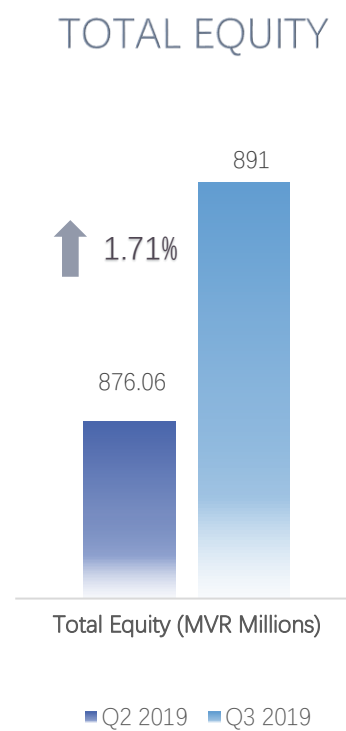
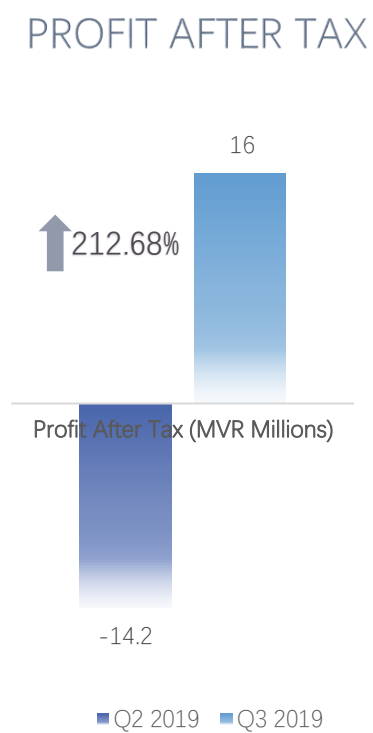
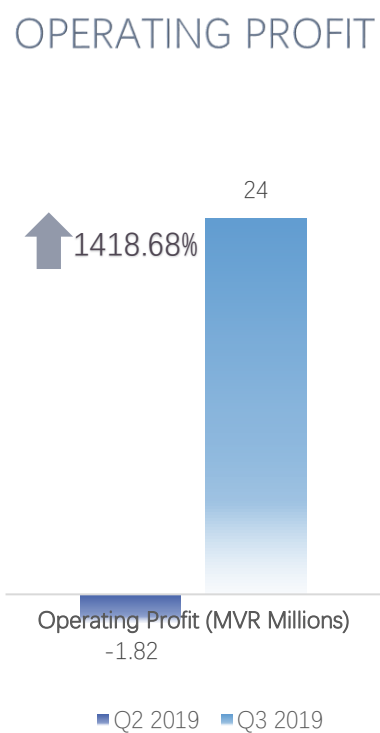
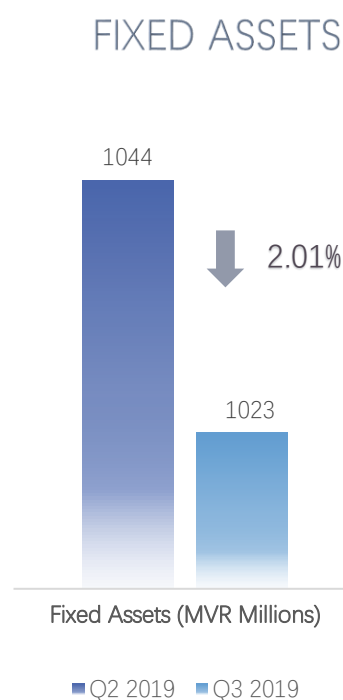
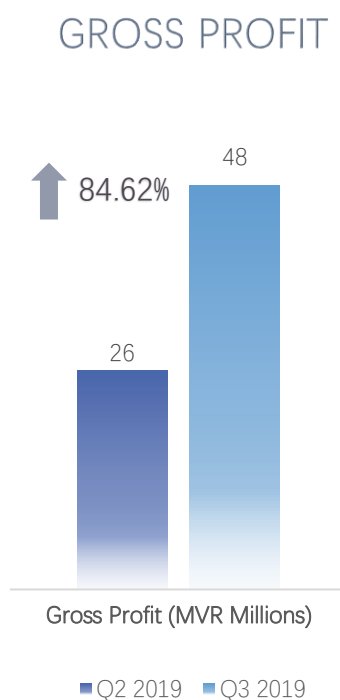
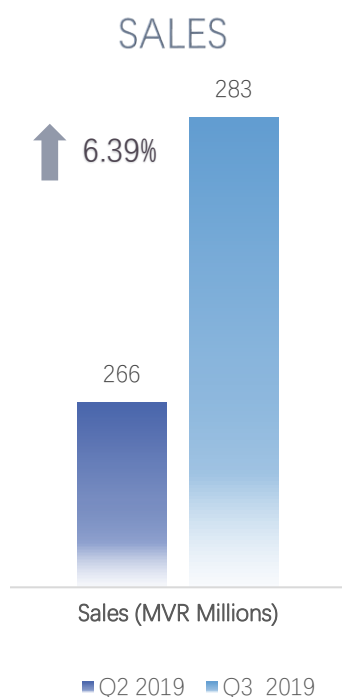
Figures in MVR	3 rd Quarter 2019	2 nd Quarter 2019
<u>Operating activities</u>		
Profit before tax for the period	15,947,715	(13,466,810)
Adjustment for:		
Depreciation & amortization	34,607,859	35,339,131
Provision for Inventory	-	1,500,000
Interest income	(4,203)	(59,200)
Interest expense	9,572,297	15,574,371
<u>Working capital adjustments</u>		
Decrease / (increase) in trade and other receivables	(126,397,140)	(34,182,450)
Decrease / (increase) in Inventories	2,499,827	(9,723,098)
(Decrease) / increase in trade and other payables	113,984,150	54,709,934
<i>Net cash flows from operating activities</i>	50,210,505	49,691,878
<u>Investing activities</u>		
Investments property plant & equipment	(15,113,895)	(11,257,986)
Interest received	4,203	59,200
<i>Net cash flows used in investing activities</i>	(15,109,692)	(11,198,786)
<u>Financing activities</u>		
Proceeds from borrowings	-	-
Repayment of borrowings	(24,150,954)	(8,186,547)
Proceeds from rights issue of share capital	-	-
Interest paid	(9,572,297)	(15,574,371)
Dividend paid	(4,066,728)	(98,777)
<i>Net cash flows from financing activities</i>	(37,789,979)	(23,859,695)
Net change in cash and cash equivalents	(2,689,166)	14,633,397
Cash and cash equivalents, and bank overdrafts- B/F	33,488,376	18,854,979
Cash and cash equivalents, and bank overdrafts – C/F	30,799,210	33,488,376

SEGMENTAL PERFORMANCE (UNAUDITED)

Period from 1 st July – 30 th September 2019	Total	Trading	Contracting	Dredging	Logistics	Transport	Engineering & Docking	Others
Revenue	282,822,332	50,552,757	158,372,092	42,760,942	3,201,961	23,814,911	4,119,669	-
Operating profit / (loss)	24,112,955	11,249,673	28,000,251	13,942,084	(990,951)	(16,816,295)	333,533	(11,605,340)
Finance income / (cost)	(8,165,240)	(1,043,306)	272,179	(5,228,210)	(892,126)	-	-	(1,273,777)
Profit / (loss) before tax	15,947,715	10,206,367	28,272,430	8,713,874	(1,883,077)	(16,816,295)	333,533	(12,879,117)
Business profit tax	-	-	-	-	-	-	-	-
Profit / (loss) after tax	15,947,715	10,206,367	28,272,430	8,713,874	(1,883,077)	(16,816,295)	333,533	(12,879,117)

Period from 1 st April – 30 th June 2019	Total	Trading	Contracting	Dredging	Logistics	Transport	Engineering & Docking	Others
Revenue	266,010,142	66,797,324	144,756,789	23,842,789	4,913,804	21,610,332	4,089,104	-
Operating profit / (loss)	(1,821,420)	14,220,556	4,201,352	18,695,373	733,449	(22,245,353)	(1,967,541)	(15,459,256)
Finance income / (cost)	(11,645,390)	(1,042,417)	(2,782,116)	(6,296,868)	(984,999)	-	-	(538,990)
Profit / (loss) before tax	(13,466,810)	13,178,139	1,419,236	12,398,505	(251,550)	(22,245,353)	(1,967,541)	(15,998,246)
Business profit tax	(774,304)	-	-	-	-	-	-	(774,304)
Profit / (loss) after tax	(14,241,114)	13,178,139	1,419,236	12,398,505	(251,550)	(22,245,353)	(1,967,541)	(16,772,550)

FINANCIAL HIGHLIGHTS



OUR SHARE

Trading of the Company shares at Maldives Stock Exchange include eight transactions during the 03rd quarter. The last trading activity was carried out on 29th September 2019 at MVR 25.00.

The Dividend yield for MTCC Share is being calculated based on dividend value of MVR 2.60 approved by the Shareholders in the 2017 Annual General Meeting. No dividend was declared for the year 2018.

	03 rd Quarter, 2019	02 nd Quarter, 2019
Lowest traded price (MVR)	20	33
Highest traded price (MVR)	33	35
Last traded price (MVR)	25	33
Weighted average traded price (MVR)	23.19	33.19
No. of shares traded	4745	1130
Market capitalization (MVR millions)	201	265
Dividend Yield	10.40%	7.88%
Earnings per share (MVR)	1.984	(1.77)
Price Earnings Ratio	12.60	(18.63)

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 03rd quarter report of 2019 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.

Annual General Meeting for the year 2018 was held 08th July 2019. The company was given an extension by Maldives Stock Exchange to hold the Annual General Meeting, by 04th July 2019, given the delay in publishing the Financial Statements and Annual Report for the year 2018. The Company was fined MVR1500/- for the delay.

Maldives Transport and Contracting Company

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