



Transport and Industry Development Investment JSC - TCD -

NEWSLETTER – 4Q2018



TCD Share

14,450 550 (3.96%) 02/12/2019, 15:00 Trading/Closed	Open	13,800	Unmatched Buy	530	Frgn Buy	0	EPS	1,686
	High	14,450	Unmatched Sell	6,420	Frgn Owned(%)	14.95	P/E	8.24
	Low	13,800	52Wk High	17,100	Dividend	0	F P/E	6.89
	Vol	280	52Wk Low	11,800	Dividend Yield	0.00	BVPS	12,884
	Market Cap.	552	52Wk Avg Vol	20,347	Beta	0	P/B	1.12



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Business results

Items (VND million)	Q4 2018	Q4 2017
Revenue	339.458	408.261
Gross profit	114.686	59.637
Profit before tax	76.045	28.973
Profit after tax	61.321	22.920

Financial benchmark

Items	Q4/2018
Return on revenue	17,9%
ROE	12,4%
Current ratio	1,09 lần
Liabilities/total sources	71,1%
Dividend	



TCD honors the top 500 largest enterprises of Vietnam in 2018 (VNR500)

TRACODI is recognized as one of the enterprises with impressive growth in revenue and profit compared to other enterprises in the same industry and has entered to the top 500 largest enterprises of Vietnam in 2018. TRACODI has always striven to apply innovation, improved business operations towards sustainable development, and continuously affirmed the position of TRACODI in Vietnam market.



Tracodi and Phan Vu Group signed strategic agreement.

On December 21st, 2018, Transport and Industry Development Investment JSC (TRACODI) and Phan Vu Investment Corporation (Phan Vu Group) have entered to strategic agreement.

In the agreement, Phan Vu Group will provide its spun pile products for solar power projects implemented by TRACODI, and in the return, TRACODI will provide stone products of Antraco to Phan Vu Group. This agreement will bring mutual benefits for both parties in the future.

Consolidated business results 4Q2018: Revenue reached 339.5 billion, profit before tax reached 76.05 billion. Expected to pay dividend at the rate of 15%.

According to the consolidated financial statement of TCD, the revenue from sales of goods and rendering of services for the fourth quarter of 2018 has reached VND 339.5 billion, decreased by VND 68.8 billion, equivalent to 16.85% over the same period last year, however, the gross profit for the fourth quarter of 2018 has increased by VND 55 billion, equivalent to 92.31% compared to the same period in 2017. The company achieved a high profit in quarter 4 of 2018 due to the company well controlled input costs, resulting in a decrease of VND 123.85 billion, presenting 35,5%

compared to quarter 4 of 2017.

Also, corporate management fees also decreased by 52.4% compared to the same period in 2017. The revenue from sales of goods and rendering of services and profit before tax for 2018 have reached VND 876.04 billion and VND 106.4 billion respectively. The revenue has not met the 2018 target but profit has exceeded its plan by 10.5% in 2018. The Company is expected to propose to the shareholders the dividend payout rate of 15% at the AGM 2019.

TRADE

The revenue reached VND 47.3 billion, down by 81.79% over the same period last year. In 2018, the trading segment achieved VND 269.5 billion in accumulated revenue and VND 2.9 billion in gross profit respectively. The business results have not met the target.

The main reasons are the sudden increase in the price of raw materials and shortage of supply, leading to a serious impact on profits. In addition, the Trade department has prepared to launch new products to the market soon. TCD aims international markets like Germany, Korea, China,...New products are expected to bring high profit for this segment in the coming years.

Unit: VND million	Q4 2018	Q4 2017
Net revenue	47.313	259.779
Cost of goods sold	44.365	245.767
Gross profit	2.948	14.012

ANTRACO

As reported, the revenue for the fourth quarter of 2018, at VND 132.1 billion, is up by 10% over the same period last year, and increased by 33.2% compared to third quarter of 2018.

Gross profit for the fourth quarter of 2018, Antraco reached VND 44.4 billion, down by 1.6% over the same period last year due to the increase in cost of goods sold by 16.2%. In 2018, the accumulated revenue has reached VND 397.5 billion, exceeding 32.5% of the plan which set as VND 300 billion.

Therefore, Antraco has completed the 2018 plan.

Unit: VND million	Q4 2018	Q4 2017
Net revenue	156.384	24.006
Cost of goods sold	91.406	22.309
Gross profit	64.978	1.697

King Crown Village

With a total investment of up to VND 1,400 billion, King Crown Village, the ultimate riverfront villa project in Thao Dien area, is highly commended by investors due to its location, investment effectiveness and construction quality. The total land area is 9,125 m² and will be divided 2 phases of construction, in which 17 luxurious villas will be constructed in Phase 1, followed by a modern 25-storey building in Phase 2. Sao Sang Saigon Joint Stock Company, a subsidiary of Bamboo Capital Group, is project owner and BCG will participate as the project developer. TCD acts as the general contractor of the project. Currently the project is under construction and will be completed on time.



TCD: Board of Directors' Resolution on approving the policy of divestment in Vinataxi.

According to Resolution No. 52/2018 / NQ-HĐQT-TCD dated 12/11/2018, the Board approved the policy of divestment in Vietnam Taxi Co.' Ltd (Vinataxi), which presenting 30% of the charter capital of Vinataxi (VND 112,695,663,637). The divestment in Vinataxi is part of the company's strategic plan to divest from non-business activities.



TCD: Resolution of the Board of Directors on the policy of divestment in TRACODI Invest JSC

On November 15th, 2019, according to the Board Resolution No. 54/2018 / NQ-HĐQT-TCD, the Board approved the policy of withdrawing all contributed capital in TRACODI Invest JSC, the value of divestment of VND 8,800,000,000, equivalent to 44% of the charter capital of Tracodi Invest JSC.

Malibu Hoi An

On December 9, 2018, the official ceremony to launch Malibu Hoi An project was held in Ho Chi Minh City, Da Nang and Hanoi.

At the ceremony, customers have deposited to become the first owners of high-end apartments of this project. The main investor will sign a contract with a 5-star brand company from US to manage this resort, So, customers will be assured by the location, service quality and investment efficiency. TCD is acting as the general contractor of the project. The project is under construction and is expected to be completed in the third quarter of 2020.



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Tracodi Labour



In the fourth quarter of 2018, Tracodi Labor sent 198 workers to Japan, 13 workers to Macau.

Revenue for the fourth quarter of 2018 reached VND 3.66 billion, down nearly 7% compared to the same period of 2017. However, the Company still earned VND 2.4 billion profit due to good cost management, it decreased by more than 75% compared to Q4.2017.

In 2018, Tracodi Labor sent a total of 663 workers abroad, in which 585 workers to Japan, 78 workers to Taiwan and Macau.

Tracodi Labor reached VND 10.8 billion in accumulated revenue, exceeding 14% of the target (VND 9.53 billion).

Unit: VND million	4Q2018	4Q2017
Net revenue	3.659	3.925
Cost of goods sold	1.260	5.052
Gross profit	2.399	(1.130)

TCD: Fullfil the plan 2018

On June 15th, 2018, the AMGs agreed on the 2018 plan with revenue of VND 1,150 billion and the plan for pre-tax profit of VND 96.38 billion respectively.

Revenues come from the core activities of the Company: infrastructure construction, export trade, quarrying and construction material processing, labor export.

According to the financial report for the fourth quarter of 2018, the accumulated revenue and profit before tax reached VND 876.03 billion and VND 106.47 billion respectively, in particular:

Quarrying and labor export segments achieved VND 397.46 billion and VND 10.87 billion in revenue respectively, presenting 132.5% and 114.1% correspondingly of the plan. Trading and infrastructure construction sectors earned VND 269.46 billion and VND 198.23 billion respectively, accounting for 59.9% and 50.7% of the plan.

As reported, part of revenue of infrastructure construction has not been booked in 2018 financial statement due to its projects have started to implement in the end of 2018 is the main reason led to reduce in revenue in 2018. Although TCD did not fulfill the revenue target, TCD earned VND 106.47 billion in profit before tax, exceeding 10.5% of the plan which thanks to good cost management.