

TICON Group announced a total of 1,028 million Baht revenue in the 1st Half 2017



TICON Group announced its 1st half of 2017 performance with a net revenue of 1,028 million Baht. Furthermore, the company repaid 5,910 million Baht loans reducing the net interest bearing debt ratio to just 0.38 times. The company affirms its steady business growth as plan domestically and internationally.

Mr. Virapan Pulges, Chief Executive Officer of TICON Industrial Connection Public Company Limited, the leading developer of integrated industrial properties in ASEAN, reported the operating results from the second quarter of 2017 that a net revenue of 481 million Baht was achieved. which is a total increase of 135 million Baht or 39% in comparison to the same period last year that profited only 45 million Baht. The preponderance part of the revenue, totalling 347 million Baht, was generated from factories and warehouses rental.

The first half of the year's performance ended on the 30th June 2017, in which, the income totalled 1,028 million Baht, with a net profit of 140 million Baht. Furthermore, the company was able to repay 5,910 million Baht worth of loan in the first six months of 2017 by using the newly injected capital in January. The repayment caused a decrease of approximately 93 million Baht in interest expenses which will significantly enhance the company's financial status from a net interest bearing debt ratio of 1.92 times in 2016 down to 0.38 times at the end of Q2/2017. As a result, the company saw substantial profit growth in Q2/2017 along with a new total asset value of 7,145.5 million Baht.

"TICON Group's 2017 first half performance, successfully achieved an increase of 26,657 sq m factories and 117,731 sq m of warehouses leasable spaces, resulting in an accumulation of 332 customers from both TICON and TPARK (its subsidiary). Over 90% are international companies; which, the majority of the customers still are Japanese companies. Additionally, successfully tapping into the Chinese market has enabled TICON Group to gain a higher proportion of Chinese customers which most customers are in the automotive, electronic, logistics provider, and modern trade" revealed Mr. Virapan.

The second half of the year will perform a continuous growth of Thailand's warehousing and logistics industries which was a result from a constant flow of foreign direct investments (FDI). However, the stagnancy was notifiable in the recent months as investors demanded the clarity of the Thai government's 4.0 policy, which will possibly gain an endless amount of positive feedback from public and private sectors. This result could possibly portray a positive sign for the overall economy as well as in the warehousing and logistics industries, particularly to the development of Eastern Economic Corridor (EEC), which will be highly advantageous to the business expansion of TICON Group in EEC covered areas.

Mr. Virapan added, "TICON is ready to cope with the increasing demand in the emerging EEC zone, covering Chachoengsao, Chonburi and Rayong. We have also gained a competitive advantage regarding land bank in the neighbourhood of EEC that includes more than 3,000 rais, which are ready to be developed as factories and warehouses for near-future industrial needs. Moreover, TPARK projects in regional provinces such as Khon Kaen and Lamphun were launched, but are still on negotiating terms with the primary customers".

After the phenomenal success of phase one and two that are currently fully leased out, TICON Group continues to invest in Indonesia by developing the additional 30,000 square meters projects which are expected to be completed by the end of this year. Thus, the company plans to acquire more land in many different areas to serve customers in various sectors in Indonesia.

Finally, Mr. Virapan announced “The recent capital increase by SGX-listed real estate developer Frasers Centerpoint Limited (FCL) has a positive effect on TICON Group’s businesses. It strengthens the company’s financial status and impressively brings the unique Frasers’ specialism to TICON, to enable a fruitful business expansion. This allows the company to take full advantage of the strong partnership creating a more competitive environment for the opposing competitors in the overseas market. This action help pushes TICON to reach its fundamental corporate goal which is to expand our business presence in a productive and sustainable manner.