



# Mathillo Mailun Khola Jalvidhyut Limited

Ka. Ma. Na. Pa -04, Dhumbarahi, Kathmandu, Nepal

## Un-Audited Financial Reports (Quarterly)

As on 3<sup>rd</sup> Quarter (2081.12.31) of the Fiscal Year 2081/082

### THIRD QUARTER DISCLOSURE AS OF 2081.12.31 AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION ANNEXURE-14 (RELATED TO SUB REGULATION 1 OF REGULATION 26)

#### Statement of Financial Position

Particulars	Amount in NPR		
	Un-Audited This Quarter Ending As at 2081.12.31	Un-Audited Previous Quarter Ending As at 2081.09.29	Un-Audited Corresponding Previous Year Quarter Ending As at 2080.12.30
<b>Assets</b>			
Non-Current Assets			
Property, Plant & Equipment	8,083,818	8,699,901	7,964,719
Intangible Assets	2,792,659,385	2,811,285,182	2,802,126,569
Intangible Assets under development	102,177,584	101,951,358	101,932,035
Financial Assets	300,000	300,000	300,000
<b>Total Non-Current Assets</b>	<b>2,903,220,787</b>	<b>2,922,236,441</b>	<b>2,912,323,323</b>
<b>Current Assets</b>			
Advance and Receivables	54,784,440	52,891,972	80,427,839
Cash and Cash Equivalents	157,461,334	184,157,744	6,354,886
Other Financial Assets	3,377,000	3,498,000	5,984,000
Other Current Assets	9,755,741	3,567,210	6,116,053
Current Tax Assets	2,829,094	2,729,092	2,575,013
<b>Total Current Assets</b>	<b>228,207,609</b>	<b>246,844,017</b>	<b>101,457,791</b>
<b>Total Assets</b>	<b>3,131,428,396</b>	<b>3,169,080,458</b>	<b>3,013,781,114</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share Capital	1,000,000,000	1,000,000,000	1,000,000,000
Retained Earnings	(80,943,352)	(64,354,048)	(80,468,263)
Other Reserves	1,186,554	1,186,554	428,708
<b>Total Equity</b>	<b>920,243,202</b>	<b>936,832,506</b>	<b>919,960,446</b>
<b>Liabilities</b>			
Non-Current Liabilities			
Non-current Borrowings	2,111,625,145	2,111,575,145	1,736,962,899
Provisions	467,223	481,588	353,795
<b>Total Non- Current Liabilities</b>	<b>2,112,092,368</b>	<b>2,112,056,733</b>	<b>1,737,316,694</b>
Current Liabilities			
Other Financial Liabilities			
Other Financial Liabilities	92,239,887	114,414,329	203,980,018
Other Current Liabilities	1,094,597	986,270	2,373,424
Current Borrowings	5,758,342	4,790,621	150,150,532
<b>Total Current Liabilities</b>	<b>99,092,826</b>	<b>120,191,219</b>	<b>356,503,975</b>
<b>Total Liabilities</b>	<b>2,211,185,194</b>	<b>2,232,247,952</b>	<b>2,093,820,669</b>
<b>Total Liabilities and Equity</b>	<b>3,131,428,396</b>	<b>3,169,080,458</b>	<b>3,013,781,114</b>

#### Profit & Loss Account (For the Quarter ending 31 Chaitra 2081)

Particulars	Un- Audited This Quarter Ending (31-12-2081)	Un-Audited Previous Quarter Ending (29-09-2081)	Un-Audited Corresponding Previous Year Quarter Ending (30-12-2080)
Revenue (Construction)	20,709,255	12,183,750	349,165,377
Cost of Sales (Construction)	(20,709,255)	(12,183,750)	(349,165,377)
Revenue from Sales of Electricity	289,436,426	223,951,990	40,848,534
Power Plant Operation Expenses	(43,763,517)	(32,958,438)	(10,374,399)
<b>Gross profit</b>	<b>245,672,909</b>	<b>190,993,552</b>	<b>30,474,134</b>
Other Income	357,750	357,750	2,356,600
Administrative and Other Operating Expenses	(96,548,057)	(65,038,153)	(31,995,918)
<b>Profit From Operation</b>	<b>149,482,601</b>	<b>126,313,149</b>	<b>834,816</b>
Financial Income	1,645,229	954,330	500,796
Financial Costs	(131,728,542)	(91,670,506)	(30,560,496)
Staff Bonus	(387,986)	-	-
<b>Profit/ (Loss) before tax</b>	<b>19,011,302</b>	<b>35,596,974</b>	
Income Tax Expenses	(3,633)		
Deferred Tax Income/(Expense)	-	-	(2,479,370)
<b>Profit/ (Loss) For the Year</b>	<b>19,007,669</b>	<b>35,596,974</b>	<b>(31,704,254)</b>

#### Major Financial Highlights

Earnings Per Share (EPS)	1.90	3.56	(3.88)
Current Ratio	2.31	2.05	0.27
Net worth Per Share	92.02	93.56	91.95
Return on Assets (ROA)	0.61%	1.12	-1.05%
Market Value Per Share	646.24	698.90	410.00

#### Financial Statements

- The Unaudited financial statement for the third quarter have been published as a part of this report.
- Service concession arrangements of MMKJL includes Project Work in Progress of Mathillo Mailung Khola Jalvidhyut Aayojana (14.3 MW). Service concession arrangements are amortized over the contractual period as per the Power Purchase Agreement (PPA) of MMKJL. As per Generation License, life of Mathillo Mailung Khola Jalvidhyut Aayojana is up to 2107/11/26. Pursuant to the life of the project, the company has amortized the intangible assets from the commercial operation dated 28 Magh 2080. In case of Property, Plant & Equipment, depreciation has been calculated based on written down value based on their useful lives.
- The Total outstanding loan includes term loan and working capital loan (Overdraft) amounting NPR 2,117,383,487/-
- The Construction revenue and Construction cost as per IFRIC-12 is NPR 20,709,255.
- The company has generated NPR 289,436,426 as revenue from the sales of electricity and earned financial income amounting NPR 1,645,229/- from interest on deposit .

#### Management Analysis

- The company has incurred NPR 43,763,517/- as Power Plant Operation Expenses and NPR 96,548,057/- as administrative and other operating expenses including NPR 82,492,657/- for amortization and depreciation expenses till Chaitra 2081.
- The financial cost includes interest paid on long term loan and working capital loan amounting NPR 131,728,542/-
- Intangible assets under development includes expenses incurred for the development of Madhya Mailung Khola Jalvidhyut Aayojana (13 MW) cascade Aayojana and Mathillo Mailung “B” Jalvidhyut Aayojana (17 MW) amounting NPR 102,177,584/-

#### Legal Proceedings

- During the period, no legal cases were raised or pending against the Company and from the company.

#### Analysis of Company's Share Transaction

- The major highlights of Share transactions during the quarter are as follows:

Particulars	This Quarter Ending (31-12-2081)	Previous Quarter Ending (29-09-2081)	Corresponding Previous Year Quarter Ending (30-12-2080)
Maximum price NPR.	856	765	463
Minimum price NPR.	646.24	529	398
Closing price NPR.	646.24	698.90	410
Total Turnover NPR.	1,679,594,265	1,714,223,927	524,543,362
Total Transactions	14,591	16,445	22,380
No. of transaction Day	56	55	58
Total traded volume	2,153,124	2,619,749	1,223,738

#### Problems & Challenges

##### Internal Challenges

- Retention of skilled human resources.
- To maintain operational efficiency.

##### External Challenges

- Delay of statutory approvals & inconsistent regulatory and policy level commitment from the government regulatory agencies in the development of hydroelectric projects.
- Fluctuating cost of capital and devaluation of local currency.
- Natural disaster such as flood, earthquake, drought, etc.
- Lack of domestic suppliers for hydropower equipment and spare parts.
- Climatic Changes & Hydrological Risk.
- Pandemics such as Covid-19, dengue, etc.

##### Strategies

- Implementation of HR optimization plan.
- Lobbying with government agencies for investment friendly environment.
- Fund management and strategic investment as per the project investment plan.
- Adequate insurance policies against the loss due to natural disaster.
- Maintenance of stock of spare parts & equipment.

##### Corporate Governance

The Board of Directors, Audit Committee, other Committees, and Management Team are committed to strengthening good corporate governance within the company. Mathillo Mailun Khola Jalvidhyut Limited has written manuals, policies, rules & guidelines for the proper functioning of the operation of the company.

##### Declaration

I, the General Manager of this Company, take the responsibility for the accuracy of the information and details mentioned in this report for the period up to the third quarter of FY 2081/082, hereby declare that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge and that information necessary for taking informed decision by the investors are not concealed.

**Please contact on (977-01) 4372828/4373030 for further inquiry about the company.**