



# Mathillo Mailun Khola Jalvidhyut Limited

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

## Un-Audited Financial Reports (Quarterly)

As on 2<sup>nd</sup> Quarter (2081.09.29) of the Fiscal Year 2081/082

### SECOND QUARTER DISCLOSURE AS OF 2081.09.29 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 2081.09.29	Un-Audited Previous Quarter Ending As at 2081.06.30	Un-Audited Corresponding Previous Year Quarter Ending As at 2080.09.29
<b>Assets</b>			
Non-Current Assets			
Property, Plant & Equipment	8,699,901	8,517,426	8,765,653
Intangible Assets	2,811,285,182	2,838,205,361	2,663,726,975
Intangible Assets under development	101,951,358	101,951,358	100,574,679
Financial Assets	300,000	300,000	300,000
Deferred Tax Assets		-	2,479,370
<b>Total Non-Current Assets</b>	<b>2,922,236,441</b>	<b>2,948,974,145</b>	<b>2,775,846,677</b>
Current Assets			
Advance and Receivables	52,891,972	99,765,481	137,223,104
Cash and Cash Equivalents	184,157,744	140,401,746	37,037,052
Other Financial Assets	3,498,000	3,471,000	5,881,000
Other Current Assets	3,567,210	2,435,340	223,863
Current Tax Assets	2,729,092	2,644,778	2,567,454
<b>Total Current Assets</b>	<b>246,844,017</b>	<b>248,718,344</b>	<b>182,932,474</b>
<b>Total Assets</b>	<b>3,169,080,458</b>	<b>3,197,692,489</b>	<b>2,958,779,151</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	(64,354,048)	(56,510,868)	(56,606,130)
Other Reserves	1,186,554	1,186,554	428,708
<b>Total Equity</b>	<b>936,832,506</b>	<b>944,675,686</b>	<b>943,822,579</b>
<b>Liabilities</b>			
Non-Current Liabilities			
Non-current Borrowings	2,111,575,145	2,132,124,145	1,736,962,899
Provisions	481,588	497,121	753,460
<b>Total Non- Current Liabilities</b>	<b>2,112,056,733</b>	<b>2,132,621,266</b>	<b>1,737,716,359</b>
Current Liabilities			
Other Financial Liabilities			
Other Financial Liabilities	114,414,329	116,866,457	201,906,624
Other Current Liabilities	986,270	2,001,703	230,521
Current Borrowings	4,790,621	1,527,377	75,103,069
<b>Total Current Liabilities</b>	<b>120,191,219</b>	<b>120,395,537</b>	<b>277,240,214</b>
<b>Total Liabilities</b>	<b>2,232,247,952</b>	<b>2,253,016,803</b>	<b>2,014,956,573</b>
<b>Total Liabilities and Equity</b>	<b>3,169,080,458</b>	<b>3,197,692,489</b>	<b>2,958,779,151</b>

#### Profit & Loss Account (For the Quarter ending 29 Poush 2081)

Particulars	Un- Audited This Quarter Ending (29-09-2081)	Un-Audited Previous Quarter Ending (30-06-2080)	Un-Audited Corresponding Previous Year Quarter Ending (29-09-2080)
Revenue (Construction)	12,183,750	10,355,958	192,716,260
Cost of Sales (Construction)	(12,183,750)	(10,355,958)	(192,716,260)
Revenue from Sales of Electricity	223,951,990	142,470,826	-
Power Plant Operation Expenses	(32,958,438)	(18,206,922)	-
Gross profit	190,993,552	124,263,903	-
Other Income	357,750	-	50,000
Administrative and Other Operating Expenses	(65,038,153)	(32,146,500)	(8,365,642)
Profit From Operation	126,313,149	92,117,403	(8,315,642)
Financial Income	954,330	392,238	473,321
Financial Costs	(91,670,506)	(48,600,204)	-
Profit/ (Loss) before tax	35,596,974	43,909,438	(7,842,321)
Income Tax Expense			
Deferred Tax Income/(Expense)	-	-	-
Profit/ (Loss) For the Year	35,596,974	43,909,438	(7,842,321)

#### Major Financial Highlights

Earnings Per Share (EPS)	3.56	4.39	(0.96)
Current Ratio	0.52	0.90	0.53
Net worth Per Share	93.56	94.35	94.34
Return on Assets (ROA)	1.12%	1.37%	-0.27%
Market Value Per Share (2081.09.29)	698.90	517.10	441.10

#### Financial Statements

- The Unaudited financial statement for the second 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 2,116,365,765.70
- The Construction revenue and Construction cost as per IFRIC-12 is NPR 12,183,750.
- The company has generated NPR 223,951,990 as revenue from the sales of electricity and earned financial income amounting NPR 954,330 from interest on deposit.

#### Management Analysis

- The company has incurred NPR 32,958,438 as Power Plant Operation Expenses and NPR 65,038,153 as administrative and other operating expenses including NPR 54,686,872 for amortization and depreciation expenses till Poush 2081.
- The financial cost includes interest paid on long term loan and working capital loan amounting NPR 91,670,506.
- 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 101,951,358.

#### 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 (29-09-2081)	Previous Quarter Ending (30-06-2081)	Corresponding Previous Year Quarter Ending (29-09-2080)
Maximum price NPR.	765	690.00	441.10
Minimum price NPR.	529	461.00	225
Closing price NPR.	698.90	517.10	441.10
Total Turnover NPR.	1,714,223,927	1,134,216,866.80	297,589,624.50
Total Transactions	16,445	18,410	36,368
No. of transaction Day	55	55	37
Total traded volume	2,619,749	1,916,953	918,954

#### 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 first 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.