



Mathillo Mailun Khola Jalvidhyut Limited

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

Un-Audited Financial Reports (Quarterly)

As on 3rd Quarter (2080.12.30) of the Fiscal Year 2080/081

THIRD QUARTER DISCLOSURE AS OF 2080.12.30 AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION ANNEXURE-14 (RELATED TO SUB REGULATION 1 OF REGULATION 26)

Statement of Financial Position	Amount in NPR		
	Un-Audited This Quarter Ending	Un-Audited Previous Quarter Ending	Un-Audited Corresponding Previous Year Quarter Ending
Particulars	As at 2080.12.30	As at 2080.09.29	As at 2079.12.30
Assets			
Non-Current Assets			
Property, Plant & Equipment	7,964,719	8,765,653	10,828,549
Intangible Assets	2,801,033,465	2,663,726,975	2,073,637,444
Intangible Assets under development	101,932,035	100,574,679	87,786,275
Financial Assets	300,000	300,000	300,000
Deferred Tax Assets	-	2,479,370	2,468,975
Total Non-Current Assets	2,912,323,323	2,775,846,677	2,175,021,243
Current Assets			
Advance and Receivables	80,427,839	137,223,104	272,003,783
Cash and Cash Equivalents	6,354,886	37,037,052	138,545,581
Other Financial Assets	5,984,000	5,881,000	5,646,000
Other Current Assets	6,116,053	223,863	197,684
Current Tax Assets	2,575,013	2,567,454	2,427,623
Total Current Assets	101,457,791	182,932,474	418,820,670
Total Assets	3,013,781,114	2,958,779,151	2,593,841,914
Equity and Liabilities			
Equity			
Share Capital	1,000,000,000	1,000,000,000	750,000,000
Retained Earnings	(80,468,263)	(56,606,130)	(40,176,106)
Other Reserves	428,708	428,708	106,700
Total Equity	919,960,446	943,822,579	709,930,595
Liabilities			
Non-Current Liabilities			
Non-current Borrowings	1,736,962,899	1,736,962,899	1,651,103,419
Provisions	353,795	753,460	1,390,024
Total Non-Current Liabilities	1,737,316,694	1,737,716,359	1,652,493,444
Current Liabilities			
Other Financial Liabilities			
Other Financial Liabilities	203,980,018	201,906,624	149,534,310
Other Current Liabilities	2,373,424	230,521	883,565
Current Borrowings	150,150,532	75,103,069	81,000,000
Total Current Liabilities	356,503,975	277,240,214	231,417,875
Total Liabilities	2,093,820,669	2,014,956,573	1,883,911,319
Total Liabilities and Equity	3,013,781,114	2,958,779,151	2,593,841,914
Statement of Profit or Loss	Un-Audited This Quarter Ending (30-12-2080)	Un-Audited Previous Quarter Ending (29-09-2080)	Un-Audited Corresponding Previous Year Quarter Ending (30-12-2079)
Revenue (Construction)	349,165,377	192,716,260	416,406,265
Cost of Sales (Construction)	(349,165,377)	(192,716,260)	(416,406,265)
Revenue from Sales of Electricity	40,848,534	-	-
Power Plant Operation Expenses	(10,374,399)	-	-
Gross profit	30,474,134	-	-
Other Income	2,356,600	50,000	6,997
Administrative and Other Operating Expenses	(31,995,918)	(8,365,642)	(16,048,854)
Profit From Operation	834,816	(8,315,642)	(16,041,857)
Financial Income	500,796	473,321	2,182,042
Financial Costs	(30,560,496)	-	-
Profit/ (Loss) before tax	(29,224,884)	(7,842,321)	(13,859,815)
Income Tax Expense	-	-	-
Deferred Tax Income/(Expense)	(2,479,370)	-	787,861
Profit/ (Loss) For the Year	(31,704,254)	(7,842,321)	(13,071,955)
Major Financial Highlights			
Earnings Per Share (EPS)	(3.88)	(0.96)	(1.82)
Current Ratio	0.27	0.53	1.21
Net worth Per Share	91.95	94.34	94.64
Return on Assets (ROA)	-1.05%	-0.27%	-0.50%
Market Value Per Share	410.00	441.10	-

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 Jalavidyut 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 Jalavidyut Aayojana is up to 2107/11/26. Pursuant to the life of the project, the company shall amortize the intangible assets after the plant starts its commercial operation. In case of Property Plant & Equipment, depreciation has been calculated based on written down value as per the provisions of Income Tax Act, 2058.
- Mathillo Mailung Khola Jalvidhyut Aayojana (14.3 MW) is as under operation phase and the commercial operation was start from 28 Magh 2080
- The Total outstanding loan includes term loan (non-current borrowing) and bridge gap loan (current borrowing) amounting NPR 1,887,113,431.
- The Construction revenue and Construction cost as per IFRIC-12 is NPR 349,165,377.
- The Operation revenue generated from the electricity generation is NPR 40,848,534 till Chaitra 2080.

Management Analysis

- The company has incurred NPR 10,374,399 as power plant operation expenses and NPR 31,995,918 as administrative and other operating expenses till Chaitra 2080.
- The financial cost includes interest paid on long term loan and working capital loan amounting NPR 30,560,496.
- The company has earned other Income amounting NPR 23,56,000 and financial income amounting NPR 500,796 from interest on deposit.
- Intangible assets underdevelopment includes Expenses NPR 101,932,035 for the development of Madhya Mailung Khola Jalvidhyut Aayojana (13 MW) cascade Aayojana and Mathillo Mailung "B" Jalvidhyut Aayojana (17 MW).

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	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
Maximum price NPR.	463	441.10	-
Minimum price NPR.	398	225.00	-
Closing price NPR.	410.00	441.10	-
Total Turnover NPR.	524,543,362	297,589,624.50	-
Total Transactions	22380	36368	-
No. of transaction Day	58	37	-
Total traded volume	1,223,738	918,954	-

*Share listing on Nepal Stock Exchange Ltd and the transactions start from the 2080.08.04.

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 2080/081, 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.