



Mathillo Mailun Khola Jalvidhyut Limited

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

Un-Audited Financial Reports (Quarterly)

As on 2nd Quarter (2080.09.29) of the Fiscal Year 2080/081

SECOND QUARTER DISCLOSURE AS OF 2080.09.29 AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION ANNEXURE-14 (RELATED TO SUB REGULATION 1 OF REGULATION 26)

Amount in NPR

Statement of Financial Position	Un-Audited This Quarter Ending	Un-Audited Previous Quarter Ending	Un-Audited Corresponding Previous Year Quarter Ending
Particulars	As at 2080.09.29	As at 2080.06.30	As at 2079.09.30
Assets			
Non-Current Assets			
Property, Plant & Equipment	8,765,653	9,154,041	10,702,574
Intangible Assets	2,663,726,975	2,574,529,432	1,918,334,947
Intangible Assets under development	100,574,679	100,574,679	87,747,968
Financial Assets	300,000	300,000	300,000
Deferred Tax Assets	2,479,370	2,479,370	2,177,714
Total Non-Current Assets	2,775,846,677	2,687,037,523	2,019,263,203
Current Assets			
Advance and Receivables	137,223,104	139,329,899	261,865,363
Cash and Cash Equivalents	37,037,052	15,788,203	135,375,348
Other Financial Assets	5,881,000	5,743,000	6,013,000
Other Current Assets	223,863	210,866	89,903
Current Tax Assets	2,567,454	2,554,144	2,309,145
Total Current Assets	182,932,474	163,626,112	405,652,759
Total Assets	2,958,779,151	2,850,663,635	2,424,915,962
Equity and Liabilities			
Equity			
Share Capital	1,000,000,000	871,580,000	750,000,000
Retained Earnings	(56,606,130)	(49,156,564)	(36,901,348)
Other Reserves	428,708	428,708	106,700
Total Equity	943,822,579	822,852,144	713,205,352
Liabilities			
Non-Current Liabilities			
Non-current Borrowings	1,736,962,899	1,736,962,899	1,511,133,894
Provisions	753,460	753,460	1,325,474
Total Non-Current Liabilities	1,737,716,359	1,737,716,359	1,512,459,367
Current Liabilities			
Other Financial Liabilities			
Other Financial Liabilities	201,906,624	174,394,240	141,738,997
Other Current Liabilities	230,521	200,892	1,512,245
Current Borrowings	75,103,069	115,500,000	56,000,000
Total Current Liabilities	277,240,214	290,095,132	199,251,242
Total Liabilities	2,014,956,573	2,027,811,491	1,711,710,610
Total Liabilities and Equity	2,958,779,151	2,850,663,635	2,424,915,962

Statement of Profit or Loss	Un-Audited This Quarter Ending (29-09-2080)	Un-Audited Previous Quarter Ending (30-06-2080)	Un-Audited Corresponding Previous Year Quarter Ending (30-09-2079)
Revenue (Construction)	192,716,260	103,518,717	261,103,768
Cost of Sales (Construction)	(192,716,260)	(103,518,717)	(261,103,768)
Gross profit	-	-	-
Other Income	50,000	-	-
Administrative and Other Operating Expenses	(8,365,642)	(3,412,824)	(11,135,982)
Profit From Operation	(8,315,642)	(3,412,824)	(11,135,982)
Financial Income	473,321	361,668	1,392,186
Profit/ (Loss) before tax	(7,842,321)	(3,051,156)	(9,743,797)
Income Tax Expense			
Deferred Tax Income/(Expense)	-	-	496,599
Profit/ (Loss) For the Year	(7,842,321)	(3,051,156)	(9,247,197)

Major Financial Highlights

Earnings Per Share (EPS)	(0.96)	(0.40)	(1.32)
Current Ratio	0.53	0.51	1.36
Net worth Per Share	94.34	94.36	95.08
Return on Assets (ROA)	-0.27%	-0.11%	-0.38%
Market Value Per Share	441.10		

Financial Statements

- The Unaudited financial statement for the first quarter have been published as a part of this report.
- Service concession arrangements of MMKJL includes Project Work in Progress of Mathillo Mailun 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 Mailun 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 Mailun Khola Jalavidyut Aayojana (14.3 MW) is as under construction phase and the physical progress till poush 2080 is about 100 % and the testing generation ongoing from 10th Magh 2080
- The Total outstanding loan includes term loan (non-current borrowing) and bridge gap loan (current borrowing) amounting NPR 1,812,065,968
- The Construction revenue and Construction cost as per IFRIC-12 is NPR 192,716,260.

Management Analysis

- The company has incurred NPR 8,365,642 as administrative and other operating expenses till Poush 2080.
- The company has earned total Income 523,321 including financial income amounting NPR 473,321 from interest on deposit and amounting NPR 50,000 from other income.
- Mathillo Mailun Khola Jalavidyut Aayojana (14.3 MW) is as under construction and testing phase and the physical progress till Poush 2080 is 100% and the testing generation ongoing from the 10th Magh 2080 to the Nepal Electricity Authority, National grid. As per the current testing generation progress, the commercial operation shall be start from the 26 Magh 2080.
- Intangible assets underdevelopment includes Expenses NPR 100,574,679 for the development of Madhya Mailun Khola Jalavidyut Aayojana (13 MW) cascade Aayojana and Mathillo Mailun "B" Jalavidyut 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.	441.10	-	-
Minimum price NPR.	225.00	-	-
Closing price NPR.	441.10	-	-
Total Turnover NPR.	297,589,624.50	-	-
Total Transactions	36368	-	-
No. of transaction Day	37	-	-
Total traded volume	918954	-	-

**Mathillo Mailun Khola Jalavidyut Ltd (MMKJL) IPO has allotment dated 2080.07.03 and the transaction start from 4th Mangsir 2080 on secondary market.

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 Jalavidyut 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 2nd quarter of F.Y 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.