



Mathillo Mailun Khola Jalvidhyut Limited

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

Un-Audited Financial Reports (Quarterly)

As on 1st Quarter (2081.06.30) of the Fiscal Year 2081/082

FIRST QUARTER DISCLOSURE AS OF 2081.06.30 AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION ANNEXURE-14 (RELATED TO SUB REGULATION 1 OF REGULATION 26)

Statement of Financial Position

Particulars	Un-Audited This Quarter Ending As at 2081.06.30	Un-Audited Previous Quarter Ending As at 2081.03.31	Amount in NPR
			Un-Audited Corresponding Previous Year Quarter Ending As at 2080.06.30
Assets			
Non-Current Assets			
Property, Plant & Equipment	8,517,426	9,017,765	9,154,041
Intangible Assets	2,838,205,361	2,852,923,571	2,574,529,432
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
Total Non-Current Assets	2,948,974,145	2,964,192,694	2,697,037,523
Current Assets			
Advance and Receivables	99,765,481	75,247,039	139,329,899
Cash and Cash Equivalents	140,401,746	86,409,915	15,788,203
Other Financial Assets	3,471,000	5,312,000	5,743,000
Other Current Assets	2,435,340	4,654,891	210,866
Current Tax Assets	2,644,778	2,585,933	2,554,144
Total Current Assets	248,718,344	174,209,779	163,626,112
Total Assets	3,197,692,489	3,138,402,473	2,850,663,635
Equity and Liabilities			
Equity			
Share Capital	1,000,000,000	1,000,000,000	871,580,000
Retained Earnings	(56,510,868)	(99,662,734)	(49,156,564)
Other Reserves	1186,554	428,708	428,708
Total Equity	944,675,686	900,765,974	822,852,144
Liabilities			
Non-Current Liabilities			
Non-current Borrowings	2,132,124,145	2,049,706,025	1,736,962,899
Provisions	497,121	486,090	753,460
Total Non-Current Liabilities	2,132,621,266	2,050,192,115	1,737,716,359
Current Liabilities			
Other Financial Liabilities			
Other Financial Liabilities	116,866,457	170,291,025	174,394,240
Other Current Liabilities	2,001,703	2,153,359	200,892
Current Borrowings	1,527,377	15,000,000	115,500,000
Total Current Liabilities	120,395,537	187,444,384	290,095,132
Total Liabilities	2,253,016,803	2,237,636,499	2,027,811,491
Total Liabilities and Equity	3,197,692,489	3,138,402,473	2,850,663,635

Profit & Loss Account (For the Quarter ending 30 Ashwin 2081)

Particulars	Un-Audited This Quarter Ending (30-06-2081)	Un-Audited Previous Quarter Ending (31-03-2081)	Un-Audited Corresponding Previous Year Quarter Ending (30-06-2080)
Revenue (Construction)	10,355,958	42,772,800	103,518,717
Cost of Sales (Construction)	(10,355,958)	(42,772,800)	(103,518,717)
Revenue from Sales of Electricity	142,470,826	120,822,098	-
Power Plant Operation Expenses	(18,208,922)	(28,062,406)	-
Gross profit	124,263,903	92,759,692	-
Other Income	-	-	2,356,600
Administrative and Other Operating Expenses	(32,148,500)	(64,675,903)	(3,412,824)
Profit From Operation	92,115,403	30,440,389	(3,412,824)
Financial Income	392,238	573,596	361,666
Financial Costs	(48,600,204)	(79,393,740)	-
Profit/ (Loss) before tax	43,909,438	(48,379,754)	(3,051,156)
Income Tax Expense	-	-	-
Deferred Tax Income/(Expense)	-	(2,479,370)	-
Profit/ (Loss) For the Year	43,909,438	(50,859,125)	(3,051,156)
Major Financial Highlights			
Earnings Per Share (EPS)	4.39	(6.23)	(0.40)
Current Ratio	0.90	0.47	0.51
Net worth Per Share	94.35	90.03	94.36
Return on Assets (ROA)	1.37%	-1.62%	-0.17%
Market Value Per Share (2081.06.30)	517.00	546.81	-

Financial Statements

- The Unaudited financial statement for the first quarter have been published as a part of this report.
- Service concession arrangements of MMKIL includes Project Work in Progress of Mathillo Mailun Khola Jalvidhyut Aayojana (14.3 MW). Service concession arrangements are amortized over the contractual period as per the Power Purchase Agreement (PPA) of MMKIL. As per Generation License, life of Mathillo Mailun Khola Jalvidhyut Aayojana is up to 2107/11/26. Pursuant to the life of the project, the company should be amortize 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.
- Mathillo Mailun Khola Jalvidhyut Aayojana (14.3 MW) is under operation phase and the commercial operation has started since 28 Magh 2080.
- The total outstanding loan includes term loan (non-current borrowing) and working capital loan (current borrowing) amounting NPR 2,133,651,522
- The Construction revenue and Construction cost as per IFRIC-12 is NPR 10,355,958.00
- The Operation revenue generated from the sales of electricity generation is NPR 142,470,826 till Ashwin 2081.

Management Analysis

- The company has incurred NPR 18,208,922 as Power Plant Operation Expenses and NPR 32,148,500 as administrative And other operating expenses including NPR 27,37,282 project amortization and depreciation expenses till Ashwin 2081.
- The financial cost includes interest paid on long term loan and working capital loan amounting NPR 48,600,204.
- The company has earned financial income amounting NPR 392,238 from interest on deposit.
- Intangible assets underdevelopment includes Expenses NPR 101,951,358 for the development of Madhya Mailun Khola Jalvidhyut Aayojana (13 MW) cascade Aayojana and Mathillo Mailun "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.	690.00	558.80	-
Minimum price NPR.	461.00	403.00	-
Closing price NPR.	517.10	558.80	-
Total Turnover NPR.	1,134,216,866.80	1,017,151,697.70	-
Total Transactions	18,410	15,438	-
No. of transaction Day	55	61	-
Total traded volume	1,916,953	2,127,459	-

*Share listing on Nepal Stock Exchange Ltd and the transactions starting 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 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.