Mathillo Mailun Khola Jalvidhyut Limited

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

Un-Audited Financial Reports (Quarterly)

As 1st Quarter (As at 2083.06.31) of the Fiscal Year 2083/084

FIRST QUARTER DISCLOSURE AS OF 2083.06.31
AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION
ANNEXURE-14 (RELATED TO SUB REGULATION 1 OF REGULATION 26)

Statement of Financial Position

Amount in NPR

Particulars	Un-Audited This Quarter Ending As at 2083-06-31	Audited Previous Quarter Ending As at 2083-03-32	Un-Audited Previous Corresponding Quarter As at 2082-06-31
Assets			
Non Current Assets			
Property, Plant & Equipment	10,531,243	11,122,010	12,950,965
Intangible Assets	2,636,255,764	2,663,246,125	2,743,633,094
Intangible Assets under development	115,018,145	112,625,550	104,444,266
Right of use Assets	7,529,557	7,769,142	8,487,900
Financial Assets	300,000	300,000	300,000
Total Non Current Assets	**2,769,634,709**	**2,795,062,827**	**2,869,816,225**
Current Assets			
Financial Current Assets			
Sundry Debtor and Receivables	14,907,889	85,456,268	99,609,336
Cash and Cash Equivalents	327,652,699	212,338,196	167,705,246
Other Financial Assets	2,417,000	2,428,000	3,377,000
Non- Financial Current Assets			
Other Current Assets	15,697,085	17,719,060	12,532,202
Current Tax Assets	3,153,612	3,107,465	2,966,336
Total Current Assets	**363,828,285**	**321,048,989**	**286,190,120**
Total Assets	**3,133,462,994**	**3,116,111,816**	**3,156,006,345**
Equity and Liabilities			
Equity			
Share Capital	1,000,000,000	1,000,000,000	1,000,000,000
Other Equity			
Retained Earnings	(5,631,524)	3,125,445	(46,211,327)
Other Reserves	2,850,933	2,850,933	1,556,310
Total Equity	**997,219,408**	**1,005,976,378**	**955,344,983**
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Non current Borrowings	1,913,457,145	1,913,457,145	2,028,623,145
Provisions	661,031	661,031	525,082
Lease Liabilities	8,325,326	8,325,326	8,885,647
Total Non- Current Liabilities	**1,922,443,502**	**1,922,443,502**	**2,038,033,874**
Current Liabilities			
Other Financial Liabilities			
Current Borrowings	137,468,000	137,468,000	85,987,071
Lease Liabilities	420,241	560,321	340,980
Other Financial Liabilities	75,556,192	47,671,994	74,184,222
Other Current Liabilities	355,652	1,991,621	2,115,214
Total Current Liabilities	**213,800,084**	**187,691,936**	**162,627,488**
Total Liabilities	**2,136,243,586**	**2,110,135,438**	**2,200,661,362**
Total Liabilities and Equity	**3,133,462,994**	**3,116,111,816**	**3,156,006,345**

Statement of Profit or Loss for the Quarter ending 31 Ashwin 2083

Particulars	Un audited Current Period (31-06-2083)	Audited Previous Period (32-03-2083)	Un audited Previous Corresponding Quarter (31-06-2082)
Revenue (Construction)	2,392,595	10,040,834	1,325,068
Cost of Sales (Construction)	(2,392,595)	(10,040,834)	(1,325,068)
Revenue from Sales of Electricity	65,718,209	431,136,027	147,859,456
Power Plant Operation Expenses	(12,116,594)	(49,255,026)	(14,192,116)
Gross profit	**53,601,614**	**381,881,001**	**133,667,339**
Other Income	-	-	
Administrative and Other Operating Expenses	(3,358,161)	(23,204,921)	(5,966,857)
Depreciation	(830,352)	(3,892,411)	(965,367)
Amortization	(26,990,361)	(107,961,443)	(27,039,991)
Profit From Operation	**22,422,741**	**246,822,226**	**99,695,123**
Financial Income	432,113	2,257,971	522,379
Financial Costs	(31,610,656)	(135,439,369)	(39,640,700)
Profit/ (Loss) before Bonus & Tax	(8,755,803)	113,640,828	60,576,803
Staff Bonus	-	(2,272,817)	-
Profit/ (Loss) before tax	(8,755,803)	111,368,011	60,576,803
Current Tax	(1,167)	(4,875)	
Net Profit/ (Loss) For the period	**(8,756,970)**	**111,363,136**	**60,576,803**
Earnings per Equity share of Rs.100 each			
Basic EPS	(0.88)	11.14	6.06
Diluted EPS	(0.88)	11.14	6.06
Major Financial Highlights			
Earnings Per Share (EPS)	(0.88)	11.14	6.06
Current Ratio	1.70	1.71	1.76
Net worth Per Share	99.72	100.60	95.53
Return on Assets (ROA)	-0.28%	3.57%	1.92%
Market Value Per Share - NPR	344.00	430.00	594.00
PE Ratio	(392.83)	38.61	98.06

Financial Statements

- The Uanaudited financial statements for the first quarter have been published as a part of this report.
- Service concession arrangements of MMKJL includes 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.
- An invoice of NPR. 6,57,18,209/- for Mathillo Mailun Khola Jalvidhyut power plant (14.3 MW) has been raised up to Ashwin 2083 for FY 2083/084
- The Total outstanding loan including term loan and working capital loans amount to NPR 2,05,09,25,145/-
- The Construction revenue and Construction cost of Madhya Mailung Khola Jalvidhyut Aayojana (13MW) as per IFRIC-12 is NPR 23,92,595.
- The company has generated NPR 6,57,18,209/- as revenue from the sales of electricity and earned financial income amounting NPR 4,32,113 /- from interest on call deposit.
- The power plant has remained shut down since 10th Bhadra 2083 (26th August 2026), following heavy flood in Trishuli River that resulted in washing away of transmission line towers and interconnection equipment located at Trishuli 3B Hub substation. Preliminary observations of the damage have been completed, while a detailed assessment of extent of the damage and associated financial implications is currently ongoing. Accordingly, the financial impact of this incident cannot presently be reliably estimated. Management is closely monitoring the situation and will assess the financial implications as further information becomes available. The Company is also exploring feasible alternative arrangements for establishing interconnection with the Nepal Electricity Authority (NEA) to facilitate the resumption of power generationat earliest possible. Furthermore, the Property Damage and Loss of Profit insurance claims relating to the damage sustained by the Company's Mathillo Mailung Khola Jalvidhyut Aayojana (14.3 MW) are currently under process with the insurer.

Management Analysis

- The company has incurred NPR 1,21,16,594/- as Power Plant Operation Expenses, NPR 33,58,161/- as administrative and other operating expenses, NPR 830,352/- depreciation on PPE and NPR 2,69,90,361/- for amortization expenses till 1st quarter of fiscal year 2083 /084.
- The financial cost includes interest paid on long term loan and agency fee amounting NPR 3,16,10,656/-
- 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 11,50,18,145 /-

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 (31-06-2083)	Previous Quarter Ending (32-03-2083)	Corresponding Previous Year Quarter Ending (31-06- 2082)
Maximum price NPR.	496.00	546.60	675.00
Minimum price NPR.	322.90	430.00	561.38
Closing price NPR.	344.00	430.00	594.00
Total Turnover NPR.	143,803,316.10	11,00,82,917.61	346,474,068.00
Total Transactions	3,808	3,346	5859
No. of transaction Day	61	64	51
Total traded volume	375,032	2,17,595	559562

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.
- Riot, Strike, and Malicious Risk

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.
- Ensure effective equipment maintenance and spare parts availability.

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 fiscal year 2083/084, 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.