



Mailung Khola Jal Vidhyut Company Ltd.

Kathmandu, Nepal

Unaudited Financial Reports for the Fourth Quarter of Fiscal Year 2080/081 ended on Ashadh 31, 2081 (July 15, 2024)

Unaudited Statement of Financial Position

Amount in Nepalese Rupees

Particulars	This Quarter Ending Ashadh End 2081	Previous Quarter Ending Chaitra End 2080	Corresponding Previous Quarter Ending Ashadh End 2080 (Audited)
Assets			
Non Current Assets			
Property, Plant and Equipment	855,160	926,877	967,319
Intangible Assets	618,927,550	626,807,985	660,057,246
Intangible Assets Under Development	-	-	-
Investment in Subsidiaries	25,923,100	25,923,100	25,923,100
Investment in Associates	-	-	-
Investment Securities	-	-	-
Deferred Tax Assets	-	-	-
Other Non-Current Assets	625,230	625,230	-
Total Non Current Assets	646,331,040	654,283,191	686,947,665
Current Assets			
Inventories	-	-	-
Trade Receivables	136,737,586	138,425,211	141,320,094
Cash and Cash Equivalents	4,872,099	29,745,753	2,304,179
Other Financial Assets	2,997,160	3,566,706	4,390,912
Other Current Assets	5,055,576	3,146,014	3,641,976
Current Tax Assets	1,018,658	1,124,580	108,681
Total Current assets	150,681,078	176,008,264	151,765,842
Total Assets	797,012,119	830,291,455	838,713,507
Equity and Liabilities			
Equity			
Share Capital	376,319,824	376,319,824	368,143,000
Reserves	790,297	790,297	790,297
Retained Earnings	(2,310,900)	6,154,406	8,614,126
Total Equity	374,799,220	383,264,527	377,547,423
Non Current Liabilities			
Borrowings	275,830,003	289,830,003	330,030,006
Other Non-Current Liabilities	48,074,603	45,178,188	32,563,256
Total Non current Liabilities	323,904,606	335,008,191	362,593,262
Current Liabilities			
Short Term Borrowings	87,844,224	99,182,308	87,558,212
Trade Payables	-	-	4,490,304
Other Current Liabilities	10,464,069	12,836,429	6,524,306
Total Current Liabilities	98,308,293	112,018,737	98,572,822
Total Equity and Liabilities	797,012,119	830,291,455	838,713,507

Unaudited Statement of Profit or Loss Account & Other Comprehensive Income

Particulars	This Quarter Ending Ashadh End 2081	Previous Quarter Ending Chaitra End 2080	Corresponding Previous Quarter Ending Ashadh End 2080 (Audited)
Revenue From Sales of Electricity	95,871,071	79,186,908	108,345,519
Cost of Sales	12,995,128	9,903,982	12,315,506
Gross profit	82,875,943	69,282,927	96,030,013
Other Income	2,390,258	1,838,521	2,056,600
Personnel Expenses	3,144,741	2,455,805	4,857,944
Other Operating and Administrative Expenses	4,041,870	2,715,257	5,453,854
Impairment Charges/ (Reversal)	-	-	-
Depreciation & Amortisation	45,018,536	33,744,070	45,045,859
Operating profit	33,061,054	32,206,314	42,728,956
Finance Income	-	-	-
Finance Cost	34,781,334	25,599,222	33,614,215
Share of Profit After Tax of Associates and Joint Ventures	-	-	-
Other Operating Income/ (Loss)	-	-	-
Profit Before Tax	(1,720,279)	6,607,093	9,114,741
Income Tax Expenses			
Current Tax	597,564.49	459,630.30	514,150
Deferred Tax	-	-	-
Profit for the year	(2,317,843)	6,147,463	8,600,591
Other Comprehensive Income:			
Items that will not be Reclassified to Profit or Loss	-	-	-
Gains/ (losses) from Investments in Equity Instruments measured at Fair Value	-	-	-
Gains/ (losses) on Revaluation	-	-	-
Actuarial gains/ (losses) on Defined Benefit Plans	-	-	-
Income Tax relating to above Items	-	-	-
Other Comprehensive Gain/ (Loss) for the period, Net of Tax	-	-	-
Total Comprehensive Gain/ (Loss) for the period, Net of Tax	(2,317,843)	6,147,463	8,600,591

Note:

- Corresponding Previous Quarter Ending Ashadh End 2080 figures are from audited financial statements.
- The Unaudited Financial figures are subject to change from external auditors and regulatory authorities.
- The figures are regrouped and rearranged wherever necessary.

4th QUARTER DISCLOSURE AS OF 2081.03.31 AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION ANNEXURE-14 (RELATED TO SUB REGULATION 1 OF REGULATION 26)

1. Financial Statement

- The unaudited financial statements for the fourth quarter of FY 2080/81 have been published along with this report.
- Mailung Khola Jal Vidhyut Company Limited (MKJC) has issued 8,176,824.17 bonus shares as per the decision of 10th Annual General Meeting (AGM) held on Chaitra 29, 2080 (11th April 2024). After issuance of the bonus share, paid-up capital of the company has reached 376,319,824.17. Capital increment was certified from Office of Company Registrar (OCR) on Jestha 25, 2081(7th June, 2024) and is yet to be listed on Nepal Stock Exchange (NEPSE).
- Transaction with Related Parties:** Mailung Khola Jal Vidhyut Company Limited (MKJC) has investment of NPR. 25,923,100 in Mathillo Mailung Khola Jalvidhyut Limited.
- Major Financial Indicators are as follows:

Earnings per share (Rs.) (EPS)	Net-worth Per Share (Rs.)	Market Value Per Share (Rs.)	PE Ratio	Total Assets per share (Rs.)	Current Ratio
(0.62)	99.60	576	(935.18)	211.79	1.53

2. Management Analysis

- Any change in the stock, income and liquidity during the quarter and reason for change, if any:** Upto Fourth quarter of FY 2080/81, Mailung Khola Jal Vidhyut Company Limited (MKJC) (5MW) has generated the invoice of NPR. 95,871,071 from sale of electricity which has been decreased by 12,474,447 compared to corresponding year and gross operating profit decreased to NPR. 33,061,054 with the decrease of NPR. 9,667,902 up to this quarter as compared to the corresponding period of last year's figure, which is mainly due to decrease in the generation of electricity in dry seasons.
- The statement of management analysis on the Upcoming business Plan:** The management is persistently working on improving internal control system and risk management practices.
- The analytical statement on the possible effect on company's profitability, stock, and cash flow based on past experience:** The Company has maintained steady progress on profitability and there is no such other incident during the period which might have negative impact on the reserves, profit or cash flow position of the company.

3. Legal Proceedings

- Case filed by or against the Company during the quarter, if any: **None**
- Case filed by or against the Company or its Promoter or Director for violation of the prevailing regulation or committing the criminal offence, if any: **None**
- Case filed against the Promoter or Director on financial crime, if any: **None**

4. Analysis of Company's Share Transaction

The major highlights of Share transactions during the quarter are as follows:

Maximum price NPR.	735.00	Total Transactions	7451.00
Minimum price NPR.	414.00	No. of transaction Day	61
Closing price NPR.	576.00	Total traded volume	820,814.00
Turnover NPR.	459,441,897.10		

5. Problems & Challenges

a. Internal Challenges

- Retention and optimization of skilled human resource.
- Fund management
- To maintain the operational efficiency.

b. External Challenges

- Inconsistent regulatory and policy level commitment from the government regulatory agencies in development of hydroelectric projects
- Fluctuating cost of capital and devaluing local currency.
- Delay of statutory approvals.
- Loss due to natural disaster –flood, Earthquake, force measure issue, etc.
- Lack of domestic suppliers and vendors for hydropower equipment and spare parts.
- Disturbance in existing transmission line network and delay in expansion for power evacuation of hydropower projects.
- Lack of rainfall in dry season.

c. Strategies followed by the management:

- HR optimization plan will be implemented.
- Identification of different financial instruments along with risk assessment.
- Development of various internal policies and procedures.

6. Corporate Governance

The Board of Directors and Key management Personnel are committed to upholding good corporate governance practice in the company governance, by implementing various manuals, policies, rules & guidelines for proper functioning of the operation of the company. Various committees and sub-committee are in the process of formation in compliance with companies act, 2063 and corporate Governance guideline, 2074 issued by Security Exchange Board of Nepal.

7. Reporting

This Quarter's report has been made on the basis of Nepal Financial Reporting Standard (NFRS) and necessary adjustments has been made where ever required as per the standard and retrospective effect of the same has also been shown in the figures of previous quarters.

8. Declaration

I the General Manager of this Company, take the responsibility of accuracy of the information and 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.