



QUARTERLY REPORT

2024

MW|S|C

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Introduction

Welcome to the Quarterly Review Report of Male' Water and Sewerage Company Pvt Ltd (MWSC). This report provides a comprehensive overview of MWSC's performance during the last quarter. This document serves as a testament to the company's commitment to transparency, accountability, and continual improvement in delivering essential services to communities.



Quarter in Review

In the first quarter, MWSC demonstrated a proactive commitment to operational excellence across both the Utility and Manufacturing segments. Milestones such as the completion of vital projects in power infrastructure and sustainability initiatives showcased a dedication to resilience and efficiency. Ongoing endeavors and forthcoming plans underscored a forward-thinking approach, positioning the organization for sustained growth and success amidst evolving operational landscapes.

The financial performance of the first quarter of 2024 reflects MWSC's resilience and strategic focus on enhancing profitability and operational efficiency. Despite a slight decrease in revenue compared to the previous quarter, primarily due to reduced project-related revenue despite increased revenue from utilities and manufacturing sectors, our gross profit for Q2024 1 increased to MVR 181 million. Furthermore, our net profit for Q2024 1 experienced a notable increase, reaching MVR 76.3 million. This improvement is indicative of our ongoing efforts in cost management and operational optimization.

Looking ahead, while the macroeconomic environment remains uncertain and may present challenges in the coming quarters depending on global developments, MWSC remains focused on delivering value and sustainable growth to our stakeholders.

Strategy Overview

Established on April 1st, 1995, Male' Water and Sewerage Company has been a pioneer in revolutionizing water production and wastewater management in the Maldives. Since its inception, the company has remained dedicated to providing the people of Male' with safe, potable water and sustainable wastewater management solutions.



Vision

To provide safe water and sewerage services that is sustainable, affordable and environment friendly.



Mission

To contribute to the continuous development of the Maldivian Society, and improve the quality of life of its people, through the provision of safe water and sewerage services



Core Purpose

To help our communities lead a pure life.



Core Values

Passion, Unbiased, Respect, Entrepreneurial

Strategic Initiatives and Achievements

This section provides an overview of key actions undertaken by MWSC to advance its mission and vision, showcasing notable progress made in delivering essential water and sewerage services to communities while upholding core values of sustainability and excellence.

Utility Segment

<p>KTA38 Engine Major overhaul Dhuvaafaru power house</p> <p>Completed</p>	<p>5000TPD RO plant complete membrane replacement at Annex</p> <p>Completed</p>	<p>Installation of ventilation system at pump station is in progress.</p> <p>Ventilation system procurement is in procurement stage. Estimate to deliver the equipment by end of 1st quarter.</p>
<p>CAT8 commissioning and synchronized at Dhuvaafaru power house</p> <p>Completed</p>	<p>CAT10 Cylinder head replacement at Male' operations</p> <p>Completed</p>	<p>PS 9 & 2 Sea Outfall pipe repair and modification work</p> <p>In planning stage.</p>
<p>Dhuvaafaru power distribution cables T1&T3 upgrade</p> <p>Completed</p>	<p>Busbar panel upgrade at Dhuvaafaru power house</p> <p>Completed</p>	<p>Real-time monitoring installation at pump station ongoing</p> <p>95% completed In Male'</p>
<p>PS 9 & 2 pumping mainline diversion to Industrial Village</p> <p>In planning stage.</p>	<p>PS 9 & 2 pumping mainline diversion to Industrial Village</p> <p>In planning stage.</p>	<p>Construction of pump station 3 at Hulhumale' phase 2</p> <p>In planning stage.</p>
<p>Metal baler commissioning in waste management center Dhuvaafaru</p> <p>Completed</p>	<p>Water storage tank 2 repair and service at Villimale'</p> <p>Completed</p>	<p>Dhuvaafaru power distribution cables T1&T3 upgrade</p> <p>in progress 89% completed.</p>



Strategic Initiatives and Achievements

Manufacturing Segment

Secured materials to enhance compressed air system at Dhuvaafaru.

Completed

Completed technical and financial feasibility study for introduction of non-SUP size product to the market.

Completed

Digitalization of factory noticeboards to minimize paper use.

Completed

Initiated warehouse expansion work at Dhuvaafaru.

Completed

Enhanced cooling system of Hulhumale' Botling factory as a cost reduction exercise.

Completed

Initiated a technical feasibility study on mass production of biodegradable bags for in-house and business use.

Completed

Successful completion of surveillance audits at Hulhumale bottling factory by Maldives Food and Drug Authority

Completed



Board Activities

Board Composition

The Board composition as of 31st March 2024 is as follows



Shamhooza Ahmed

Chairperson
Appointed 26 Dec 23



Abdul Matheen Mohamed

Managing Director
Appointed 28 Nov 23



Abdul Salam Mohamed

Deputy Managing Director
Appointed 26 Dec 23



Hassan Raef

Board Member
Appointed 21 Jan 24



Aishath Roohy

Board Member
Appointed 24 Dec 23



Shu Kodama

Board Member
Appointed 1 Oct 18

Board Activities

Changes in Board Composition



Mohamed Shareef

Deputy Managing Director

Appointed 28 Feb 19

Terminated / Resigned 15 Jan 24



Hassan Raeeef

Board Member

Appointed 21 Jan 24

Board Activities

Major Board Decisions

Removal of Board Director

Mr.Mohamed Shareef
on 15th January
2024

Appointment of Board Director

Mr.Hassan Raeef
on 21st January
2024

Decisions or Resolutions approved by the Board

- Approval of 4th Quarter Report 2024 to PCB
- Approval to obtain Term Loan from HSBC Bank
- Approval of Board Calendar 2024
- Approval of amendments to procurement manual
- Approval of changes to authorized signatories of the Company (Financial and non-financial)
- Approval of amendment to Foreign Travel Policy of the Company
- Appointment of members to Audit and Remuneration Committee
- Appointment of Director to Island Beverages Maldives Private Limited
- Approval to Waive off surcharge amounts for Domestic customers
- Approval for Implementation of discount on water and electricity bills for domestic households during the holy month of Ramazan

Board Activities

Directors Name	Designation	Board Meeting	Audit Committee	Risk Committee	Remuneration Committee	Compliance Committee
Shamhooza Ahmed	Chairman	2/2	0/0	0/0	0/0	0/0
Abdul Matheen Mohamed	Managing Director	2/2	0/0	0/0	0/0	0/0
Abdul Salam Mohamed	Deputy Managing Director	2/2	0/0	0/0	0/0	0/0
Aishath Roohy	NED	2/2	0/0	0/0	0/0	0/0
Hassan Raef	NED	1/2	0/0	0/0	0/0	0/0
Shu Kodama	NED	2/2	0/0	0/0	0/0	0/0

Meetings

Board Meeting

02

Audit & Remuneration Committee

00

Risk Committee

00

Remuneration Committee

00

Compliance Committee

00

Ms Fathimath Liusha
Company Secretary

Deloitte
Appointed Auditors of the Company

Financial Highlights

INCOME STATEMENT & STATEMENT OF COMPREHENSIVE INCOME (unaudited)

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Revenue	334,200,715	427,074,062	405,938,520	424,131,798	369,721,609
Cost of Sales	152,715,538	247,841,198	220,982,966	235,612,578	236,316,969
Gross Profit	181,485,177	179,232,863	184,955,554	188,519,219	133,404,641
Other incomes	15,718,296	14,459,991	19,250,631	19,639,167	9,710,231
Valuation Loss/Gain					
Expenses					
Administrative expenses	(76,171,717)	(105,759,028)	(86,984,503)	(74,960,085)	(75,574,683)
Selling and Marketing expenses	(2,193,267)	(2,129,805)	586,196	(4,980,034)	(960,466)
CSR Activities Expenses	(452,487)	(634,790)	(2,923,058)	(827,605)	(726,323)
Other operating expenses	(22,410,593)	(52,110,185)	(22,665,858)	(22,849,266)	(21,025,099)
Operating profit	95,975,409	33,059,046	92,218,962	104,541,397	44,828,301
Finance Income	505,190	3,334,006	55,147	60,603	35,214
Finance cost	(6,729,416)	(8,609,629)	(2,406,230)	(2,751,079)	(2,524,271)
Net Finance Cost	(6,224,225)	(5,275,623)	(2,351,084)	(2,690,475)	(2,489,056)
Profit before tax	89,751,183	27,783,423	89,867,878	101,850,921	42,339,244
Income Tax (BPT)	13,462,677	4,167,513	13,480,182	15,277,638	6,350,887
Profit after tax	76,288,506	23,615,910	76,387,696	86,573,283	35,988,358
Available for sale asset (gain/loss)			-	-	-
Defined benefit obligation			-	-	-
Revaluation (Gain/Loss)			-	-	-
Investment in equity instruments			-	-	-
Other comprehensive income (Gain/Loss)			-	-	-
Total Comprehensive Income	76,288,506	23,615,910	76,387,696	86,573,283	35,988,358
Profit attributable to:					
Parent	76,288,506	23,615,910	76,387,696	86,573,283	35,988,358
Non-controlling interest					
EPS	286	88	286	324	135

Financial Highlights

STATEMENT OF FINANCIAL POSITION (unaudited)

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Assets					
Non-Current Assets					
Property, plant and equipment	845,795,961	867,834,376	881,847,923	905,987,172	901,736,971
Work-in-progress	683,714,261	670,682,216	829,733,832	792,393,683	766,560,796
Investment property	15,874,479	16,137,638	16,474,990	16,849,262	17,223,248
Investment in Subsidiaries	7,650,000	7,650,000	7,650,000	7,650,000	7,650,000
Investment in Associates					-
Investment in joint ventures					-
Available for sales financial Assets					-
Deferred Tax Assets					-
Intangible Assets	2,611,406	1,400,235	1,414,930	1,541,335	1,506,913
Other non-current assets	67,118,913				-
Right of use assets	231,722,428	233,348,559	234,986,819	236,625,080	223,059,462
Total Noncurrent Assets	1,854,487,448	1,797,053,024	1,972,108,494	1,961,046,531	1,917,737,391
Current Assets					
Inventories	507,346,797	511,857,171	482,404,770	505,215,624	510,258,599
Trade and other receivables	988,339,053	1,014,719,764	831,284,044	718,574,296	678,005,555
Cash and cash equivalent	74,010,227	89,919,760	85,050,743	132,965,570	145,366,461
Other current assets	178,973,654	212,117,411	215,097,478	232,008,351	238,322,695
Total current assets	1,748,669,731	1,828,614,105	1,613,837,035	1,588,763,841	1,571,953,311
Total Assets	3,603,157,179	3,625,667,130	3,585,945,529	3,549,810,372	3,489,690,701

Financial Highlights

STATEMENT OF FINANCIAL POSITION (unaudited)

Continued...

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Equity and Reserve					
Share capital	267,000,000	267,000,000	267,000,000	267,000,000	267,000,000
share premium	3,042	3,042	3,042	3,042	3,042
General reserve	1,309,918,724	1,309,918,724	1,233,705,470	1,233,705,470	1,233,705,470
Revaluation reserve					
Fair value reserve					
Other reserve	637,798	(2,437,348)	(408,186)	(473,394)	(310,104)
Retained earning	298,678,187	256,901,838	423,819,060	347,431,364	331,841,658
Non-controlling interest					
Total Equity	1,876,237,751	1,831,386,256	1,924,119,386	1,847,666,482	1,832,240,066
Non-Current Liabilities					
Loans and borrowing	193,715,310	233,212,034	215,824,428	300,505,181	324,834,204
Deferred tax liabilities	(4,177,679)	(4,177,679)	(4,177,679)	(4,177,679)	(2,180,397)
Other non-current liabilities	259,137,540	262,035,898	250,952,353	257,835,837	244,024,827
Total non-current liabilities	448,675,172	491,070,253	462,599,102	554,163,339	566,678,634
Current liabilities					
Current tax liabilities	(21,304,272)	18,711,530	14,544,018	1,063,836	(48,532,105)
Derivative financial instrument					-
Trade and other payables	1,110,128,250	1,157,652,681	1,024,675,420	1,054,685,745	1,065,799,239
Borrowing	144,450,804	119,204,527	97,462,216	34,629,542	34,629,542
Other current liabilities	44,969,475	7,641,883	62,545,387	57,601,429	38,875,326
Total current liabilities	1,278,244,257	1,303,210,621	1,199,227,041	1,147,980,551	1,090,772,002
Total liabilities	1,726,919,428	1,794,280,874	1,661,826,143	1,702,143,891	1,657,450,635
Total equity and liabilities	3,603,157,179	3,625,667,130	3,585,945,529	3,549,810,372	3,489,690,701

Financial Highlights

CASH FLOW (unaudited)

Cash flow from operating activities	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Profit before business profit tax	89,751,183	27,783,423	132,207,122	59,511,677	42,339,244
Adjustments for:					
Depreciation & amortization	27,550,353	28,498,381	27,407,321	29,848,275	28,120,646
Interest income	(505,190)	(3,334,006)	(55,147)	(60,603)	(35,214)
Interest expenses	1,882,764	8,609,629	2,406,230	2,751,079	2,524,271
Dividend income	-	(1,334,403)	-	-	-
Provision for impairment of receivables	127,612	28,706,328	408,119	177,666	872
Profit/Loss on disposal of property, plant and equipment	-	-	-	-	-
Provision for slow and non moving inventories	-	-	-	-	-
Lease Interest	4,090,675	18,072,577	2,152,932	2,160,952	2,168,629
Deferred Income	(232,071)	(232,071)	(232,071)	(232,071)	(232,071)
Gratuity Expense & Service Cost	-	-	-	-	-
		-			
Changes in working capital		-			
Inventories	4,510,373	(29,452,401)	22,810,854	5,042,975	(30,294,235)
Trade and other receivables	(64,420,458)	(37,715,426)	(74,930,402)	(131,604,560)	(27,197,781)
Trade and other payables	(4,291,202)	(36,246,122)	(46,752,414)	27,412,994	83,616,335
	58,464,038	3,355,909	65,422,545	(4,991,617)	101,010,695
Interest paid	(1,882,764)	(8,609,629)	(2,406,230)	(2,751,079)	(2,524,271)
Interest received	505,190	3,334,006	55,147	60,603	35,214
Business profit tax paid	(14,202,259)	-	-	-	(26,114,548)
Net cash generated / used from operating activities	42,884,206	(1,919,714)	63,071,461	(7,682,093)	72,407,091

Financial Highlights

CASH FLOW
(unaudited)

Continued...

Cash flow from operating activities	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Cash flow from investing activities					
Purchase of Property plant and equipment	(23,499,473)	(4,135,730)	(80,417,906)	(16,027,722)	(41,948,622)
Hiyaa Project payments	1,979,231	2,671,065	76,533,010	(13,391,554)	20,279,437
Dividend received	-	1,334,403	-	-	-
Net cash generated / used from investing activities	(21,520,242)	(130,262)	(3,884,896)	(29,419,276)	(21,669,185)
Cash flow from financing activities					
Proceeds from borrowing	-	32,724,845	12,218,453	4,830,031	12,486,961
Repayment of loans	(31,367,859)	(25,805,851)	(11,809,753)	(53,134,591)	(21,558,447)
Proceeds from share issuance	-	-	-	-	-
Dividends paid to shareholders	(5,905,637)	-	(13,084,000)	(21,421,055)	(20,004,883)
Net cash generated / used from financing activities	(37,273,496)	6,918,994	(12,675,299)	(69,725,615)	(29,076,368)
Net increase/ decrease in cash and cash equivalent	(15,909,532)	4,869,017	46,511,266	(106,826,984)	21,661,538
Cash and cash equivalent at beginning of the quarter	89,919,760	85,050,743	38,539,476	145,366,461	123,704,922
Cash and cash equivalent at end of the quarter	74,010,227	89,919,760	85,050,743	38,539,476	145,366,461



Shamhooza Ahmed
Chairman



Abdul Matheen Mohamed
Managing Director



Ali Shareef
Chief Financial Officer

Financial Highlights

Key Financial Highlights

Q1 2024

Revenue

334.2mn

Net Profit

76.3mn

Debt Equity Ratio

0.92

Net Worth

1.9mn

Q4 2023

Revenue

427.1mn

Net Profit

23.6mn

Debt Equity Ratio

0.98

Net Worth

1.9mn

Operational Performance

Employee
Data

SENIOR MANAGEMENT AND HIGHER

Q1 2024

04
21
25

MVR 3,954,142

Q4 2023

02
16
18

MVR 3,046,945

Q3 2023

02
17
19

MVR 2,907,490

Q2 2023

02
17
19

MVR 2,920,183

MANAGEMENT

15
42
57

MVR 5,966,175

12
40
52

MVR 4,565,412

12
40
52

MVR 5,275,081

12
39
51

MVR 5,328,189

OTHER STAFF

121
963
1084

MVR 55,665,214

125
1025
1151

MVR 56,357,482

124
1050
1174

MVR 56,926,307

122
1075
1197

MVR 57,486,224

Operational Performance

Trainings

MVR 1,356,387.35

Training cost for
Q1 2024



Operational Performance

CSR Highlights

MWSC remained committed to its corporate social responsibility (CSR) activities during the quarter. Here are some highlights:

Quarter

1

In the first quarter, we made a positive impact on the communities we serve, aiming to create lasting change by contributed to support initiative and activities aiming at infrastructure development, education program, enhancing learning experience of students, strengthening sport development, health care and environmental sustainability in the country.

MVR 452,487

Clubs, NGOs, Govt
Institutions and
Schools



Notable Events

Key service improvements, project completions, and community engagement activities undertaken in Quarter 1



World Cancer Day - Cancer Screening Camp

To commemorate World Cancer Day, MWSC organized a cancer screening camp for its staff as part of its CSR initiative, in collaboration with the Cancer Society of Maldives.

- Breast Cancer Screening: 77 Staff
- Oral Cancer Screening: 141 Staff
- Prostate Cancer Screening: 26 Staff



Reyva Portal Enhancements

Several enhancements have been implemented in the Reyva Portal to streamline processes and improve customer experience:

- Online Application Processing for Back-Office Staff
- SMS Notifications for Application Status Updates
- Customer Portal for Viewing Application Status
- Online Payment Option for Quotations



Progress in Water Supply and Sewerage Projects

Progress continues in the construction of water supply and sewerage facilities across various islands, with significant milestones achieved:

- | | |
|---|--|
| ● Hdh.Kumundhoo: 92% | ● Hdh.Hiramaradhoo: 81% |
| ● Sh.Goidhoo: 78% | ● Adh.Kunburadhoo: 49% |
| ● N.Maafaru: 98% | ● B.Kendhoo (Design & Build): 58% |
| ● Ha.Maarandhoo: 84% | ● B.Dharavandhoo (Design & Build): 72% |
| ● Ha.Thakandhoo: 81% | ● Gdh.Vaadhoo (Design & Build): 53% |
| ● Ha.Vashafaru: 75% | ● Gdh.Piyori (Design & Build): 66% |
| ● Aa.Himandhoo: 96% | ● Hulhumale' Phase-II |
| ● Lh.Oluvelhifushi: 70% | ● Fire Hydrant Systems: 39% |
| ● Lh.Naifaru Sewerage Network (Outstanding Work): 44% | |

Compliance to Corporate Governance

As a State-Owned Enterprise, the MWSC operates under the guidelines outlined in the Company's Act (96/10) and the Corporate Governance Code for State-Owned Enterprises. The primary role of the Company's Board of Directors is to oversee its operations in a manner that is equitable, transparent, and accountable, aiming for sustainable growth and the creation of value for its shareholders and investors. Regular assessments of the governance framework are conducted by the Board to safeguard and enhance the interests of shareholders and other stakeholders, ensuring alignment with the principles and guidelines of the Corporate Governance Code for State-Owned Enterprises issued by the Ministry of Finance. The Board's Nomination, Remuneration, and Corporate Committee are tasked with periodically evaluating and advancing adherence to the Corporate Governance Code, ensuring compliance with regulatory standards. This report has been crafted in accordance with the requirements of the Corporate Governance Code for State-Owned Enterprises, necessitating quarterly reporting for State-Owned Enterprises.





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