

# QUARTERLY REPORT

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## Q4 2022



FENAKA CORPORATION LIMITED  
FNK/R29/2023/1  
14<sup>th</sup> February 2023



QUARTERLY REPORT (Q4 - 2022)			
Department	-		
Document Number	FNK-R29/2023/1	Version	1.0
Revised Date	-	Enacted Date	14 <sup>th</sup> February 2023

## Document approved by:

Name	Job Title	Signature
Mohamed Rasheed	Chairman	
Ahmed Saeed Mohamed	Managing Director	
Mohamed Athif	Board Director	
Ahmed Ulwan	Board Director	
Mariyam Rasheed	Board Director	
Ibrahim Rasheed	Board Director	

## Distribution List

Owner	Type (Confidential/ Public)
Fenaka Corporation Limited	Public

## Revision History

Issue	Date	Chapter & Sections Affected	Amended by	Reason for change

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## Operation Highlights

### Major Highlights

- Fenaka ice application was launched on 01<sup>st</sup> October 2022
- Participated in Corporate Maldives business Expo 2022 held on 04<sup>th</sup> October to 05<sup>th</sup> October 2022

	Quarter 3 (2022)	Quarter 4 (2022)	% Difference
Generated Units - Diesel (kWh)	91,882,854.20	93,316,279.85	1.56%
Generated Units - Solar (kWp)	1,124,620.85	997,450.60	-11.31%
Generated Units (Solar PV) - GOV (kWp)	1,015,686.25	902,133.70	-11.18%
Generated Units (Solar PV) - Home Solar (kWp)	-	443.00	-
Generated Units (Solar PV) - Net Metering (kWp)	50,962.00	69,403.00	36.19%
Generated Units (Solar PV) - PPA (kWp)	57,972.60	25,470.90	-56.06%
Total Consumed Units (kWh)	82,756,342.10	83,575,455.08	0.99%
Total Consumption of Fuel (ltrs)	28,017,990.32	28,504,452.06	1.74%

Figure 1: Electricity and Fuel Consumption

### Home Solar Program

- Under the home solar program, there were 68 grid connections of 196kWp completed, all in the month of November 2022.
- 8 new applications for home solar was received during the quarter.

### Construction and Upgrading Projects

- Construction of the building structure of Sh.Milandhoo ice plant commenced during the quarter.
- Construction of N.Landhoo single storey office building commenced on 09<sup>th</sup> October 2022.
- Construction of Th.Hirilandhoo powerhouse commenced on 12<sup>th</sup> October 2022.
- Construction of N.Maafaru single storey office building commenced on 22<sup>nd</sup> November 2022.
- Construction of Lh.Hinnavaru 2 storey office building commenced on 08<sup>th</sup> December 2022.
- A total of 23 cable network upgrading projects were completed and 16 generators were procured during the quarter.



## Employee Development

- Six training programs with a total of 161 students were conducted in the fourth quarter of 2022
  - Certificate III in Plumbing (Batch 1)
  - Certificate III in Electrical Installation and Maintenance (Batch 2)
  - Certificate III in Electrical Installation and Maintenance (Batch 3)
  - Certificate III in Electrical Installation and Maintenance (Batch 4)
  - Certificate III in Refrigeration and Air Conditioning (Batch)
  - Certificate III in Sewerage System Operation and Maintenance (Batch 1)
- Five training programs with a total of 1,378 trainees were completed in the last quarter:
  - Billing and Collection Refresher Training for all atolls
  - Domestic Appliances Safety Program for Women to HA Atoll
  - Domestic Appliances Safety Program for Women to B Atoll
  - Domestic Appliances Safety Program for Women to GA Atoll
  - Domestic Appliances Safety Program for Women to GDH Atoll

## Current Business Position

(Refer Financial Statement)

## Business Concepts

The main business concept of the company is to provide electricity, safe and clean water, and sewerage services to island communities. Since the current tariff rates fixed by the government are below our cost of production, the company is seeking out ways to minimize costs by increasing efficiency and generate more income through diversification plans. This is also aimed at reducing the current subsidy burden borne by the government.

## How Well Business Objectives and Goals were Achieved

- The powerhouse upgrade and relocation projects of the island branches were continued during the quarter.
- The company continued the works of its solar energy projects to achieve the 70% renewable energy target.

# Market Highlights

## Launching of New Products

- No new products were launched

## Advertising and Promotions

The company continued its awareness campaign on the following:

- Responsible energy consumption
- Renewable energy
- Career opportunities in the field
- Online bill payment
- Awareness on powerhouse projects
- Most marketing communications related activities were carried out on social media.

## Partnership with Suppliers

-

## Diversification

The company has formulated several diversifications plan under the strategic business plan.

These include:

- Establishment of service and training centers
- Establishment of sales centers in all the atolls
- Establishment of water bottling plant
- Establishment of ice plants
- Procurement of landing craft
- Installation of smart meters
- Developing fuel storage and monitoring mechanisms
- During the quarter works were carried out to seek finance for the projects

## Board Activities

### Board Meetings

Directors Name	Designation	Board Meeting
Mohamed Rasheed	Chairman	8/8
Ahmed Saeed Mohamed	Managing Director	7/8
Mohamed Athif	Director	5/8
Ahmed Ulwan	Director	8/8
Mariyam Rasheed	Director	8/8
Ibrahim Rasheed	Director	7/8

Figure 2: Board meetings held during fourth quarter

	Board of Directors	Remuneration Committee	Audit Committee
Number of meetings held in Q4 - 2022	8	0	0

Figure 3: Number of meetings held during fourth quarter



**FENAKA CORPORATION LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 31 DECEMBER 2022**

2022

	<u>Notes</u>	<u>Q4</u>	<u>Q3</u>	<u>Q2</u>	<u>Q1</u>
Revenue	1	503,832,885.61	484,457,070.47	564,531,809.78	503,898,550.88
Cost of Sales	2	233,936,391.21	232,524,810.15	289,719,129.14	256,606,376.12
<b>Gross Profit</b>		<b>269,896,494.40</b>	<b>251,932,260.32</b>	<b>274,812,680.63</b>	<b>247,292,174.77</b>
Selling and Marketing Costs	3				
Administrative Costs	4	190,574,786.91	186,064,702.98	195,501,294.92	183,801,505.62
Other Operating Expenses	5	1,096,457.89	945,394.92	1,973,365.50	2,342,482.57
<b>Operating Profit</b>		<b>78,225,249.60</b>	<b>64,922,162.42</b>	<b>77,338,020.22</b>	<b>61,148,186.58</b>
Finance Income	6				
Finance Cost	7	344,663.94	456,693.07	458,169.13	443,928.72
Depreciation		63,816,293.67	63,184,449.18	62,558,860.57	61,332,216.24
<b>Profit Before Tax</b>		<b>14,064,291.99</b>	<b>1,281,020.17</b>	<b>14,320,990.52</b>	<b>(627,958.39)</b>
Business Profit Tax	8				
<b>Profit After Tax</b>		<b>14,064,291.99</b>	<b>1,281,020.17</b>	<b>14,320,990.52</b>	<b>(627,958.39)</b>



**FENAKA CORPORATION LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE QUARTER ENDED 31 DECEMBER 2022**



2022

	<u>Q4</u>	<u>Q3</u>	<u>Q2</u>	<u>Q1</u>
<b>Operating Activities</b>				
Profit Before Business Profit Tax	14,064,291.99	1,281,020.17	14,320,990.52	(627,958.39)
<b>Adjustments For:</b>				
Depreciation & Amortization	63,816,293.67	63,240,329.11	62,835,417.26	61,623,328.55
Interest Income	-	-	-	-
Interest Expenses	-	-	-	-
Dividend Income	-	-	-	-
Provision For Impairment of Receivables	-	-	-	-
Profit On Disposal of Proper, Plant & Equipment	-	-	-	-
Profit/Loss on Disposal of Investment	-	-	-	-
<b>Operating Profit/Loss Before Working Capital Changes</b>	<b>77,880,585.66</b>	<b>64,521,349.28</b>	<b>77,156,407.78</b>	<b>60,995,370.16</b>
<b>Change In Working Capital</b>				
Inventories	22,659,524.01	(17,311,150.04)	(113,098,885.57)	94,491,673.70
Trade & Other Receivables	(49,545,886.08)	(7,836,176.28)	34,540,336.10	31,113,758.01
Trade & Other Payables	230,148,019.96	259,523,086.76	263,289,986.01	36,444,861.08
<b>Cash Flow from Operating Activities</b>	<b>281,142,243.55</b>	<b>298,897,109.72</b>	<b>261,887,844.32</b>	<b>223,045,662.96</b>
Interest Paid				
Business Profit Tax Paid				
<b>Net Cash Generated from Operating Activities</b>	<b>281,142,243.55</b>	<b>298,897,109.72</b>	<b>261,887,844.32</b>	<b>223,045,662.96</b>
<b>Cash Flow from Investing Activities</b>				
Purchase of Property Plant & Equipment	(287,329,455.20)	(302,698,975.49)	(266,824,876.04)	(205,308,355.66)
Loan Repayment Received from Related Parties				
Interest Received				
Dividend Received				
<b>Net Cash Generated from Investing Activities</b>	<b>(287,329,455.20)</b>	<b>(302,698,975.49)</b>	<b>(266,824,876.04)</b>	<b>(205,308,355.66)</b>
<b>Cash Flow from Financing Activities</b>				
Proceeds from Borrowing				
Repayment of Loan				
Proceeds from Share Issuance (Net Proceeds)				
Net Payment Made from Currency SWAP				
Dividend Paid to Shareholders				
<b>Net Cash Generated from Financing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Increase/ Decrease in Cash &amp; Cash Equivalent</b>	<b>(6,187,211.65)</b>	<b>(3,801,865.77)</b>	<b>(4,937,031.72)</b>	<b>17,737,307.30</b>
Cash & Cash Equivalent at Beginning of The Month	15,593,623.53	19,395,489.30	24,332,521.02	6,595,213.72
<b>Cash &amp; Cash Equivalent at End of The Month</b>	<b>9,406,411.88</b>	<b>15,593,623.53</b>	<b>19,395,489.30</b>	<b>24,332,521.02</b>

**FENAKA CORPORATION LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**



2022

<b>Assets</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>
<b>Non-Current Assets</b>				
Property Plant & Equipment	3,849,461,414.71	3,625,948,253.17	3,386,433,727.86	3,182,167,713.39
Investment in Subsidiaries				
Investment in Associates				
Investment in Joint Ventures				
Available for Sales Financial Assets				
Deferred Tax Assets				
Intangible Assets	0.00	0.00	55,879.93	332,436.62
<b>Total Noncurrent Assets</b>	<b>3,849,461,414.71</b>	<b>3,625,948,253.18</b>	<b>3,386,489,607.79</b>	<b>3,182,500,150.02</b>
<b>Current Asset</b>				
Inventories	446,757,175.91	469,416,699.92	452,105,549.88	339,006,664.31
Trade & Other Receivables	324,390,100.91	274,844,214.83	267,008,038.55	301,548,374.65
Cash & Cash Equivalent	9,406,407.88	15,593,619.53	19,395,484.30	24,332,517.02
<b>Total current assets</b>	<b>780,553,684.70</b>	<b>759,854,534.28</b>	<b>738,509,072.73</b>	<b>664,887,555.98</b>
<b>Total Assets</b>	<b>4,630,015,099.41</b>	<b>4,385,802,787.46</b>	<b>4,124,998,680.52</b>	<b>3,847,387,706.00</b>
<b>Equity and Reserve</b>				
Share Capital	2,525,055,497.00	2,525,055,497.00	2,525,055,497.00	2,525,055,498.00
Share Premium				
General Reserve				
Retained Earning	(210,533,760.05)	(224,598,052.05)	(225,879,072.22)	(240,200,062.74)
<b>Total Equity</b>	<b>2,314,521,736.95</b>	<b>2,300,457,444.95</b>	<b>2,299,176,424.78</b>	<b>2,284,855,435.26</b>
<b>Non-Current Liabilities</b>				
Loans & Borrowing	69,572,582.11	69,572,582.11	69,572,582.11	69,572,583.11
Deferred Income				
Employee Defined Benefit Liability	23,810,917.00	23,810,917.00	23,810,917.00	23,810,917.00
<b>Current Liabilities</b>				
Current Tax Liabilities				
Derivative Financial Instrument				
Trade & Other Payables	2,160,927,476.64	1,930,779,456.68	1,671,256,369.92	1,407,966,383.91
Borrowing	58,749,999.72	58,749,999.72	58,749,999.72	58,749,999.72
Employee Defined Benefit Liability	2,432,387.00	2,432,387.00	2,432,387.00	2,432,387.00
<b>Total Current Liabilities</b>	<b>2,222,109,863.36</b>	<b>1,991,961,843.40</b>	<b>1,732,438,756.64</b>	<b>1,469,148,770.63</b>
<b>Total Liabilities</b>	<b>2,315,493,362.47</b>	<b>2,085,345,342.51</b>	<b>1,825,822,255.75</b>	<b>1,562,532,270.74</b>
<b>Total Equity &amp; Liabilities</b>	<b>4,630,015,099.41</b>	<b>4,385,802,787.46</b>	<b>4,124,998,680.52</b>	<b>3,847,387,706.00</b>