MALDIVES HAJJ CORPORATION LIMITED

Quarterly Report January – March 2020



ب إداراني



Reg No. : C - 0631/2013

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تحقوبۇس بَدَيْمَ تَكْرَشُ سَتَبَرْ مِوِجْهَ"، د.ئرىزىرىمَات 3 قامتر تونلويون ئەئەتىرلىرۇر قاتى 20379، موفرىرىگەخ. كۇن ئىزىمەتر: 301100 ، 3010872 / ئۇنىسى ئىزىمەتىر: 3011004 غۇھىسىرچ://www.mhcl.mv / يەخوبۇ ئەنا ئونسا:



Highlights

Financial Highlights for First Quarter 2020

DETAILS	AMOUNT
Revenue*	MVR 5,125.00
Cost of Sales**	MVR (106,126.90)
Operating Expenditure	MVR (2,065,347.60)
Operating Profit (Loss)	MVR (2,166,349.50)
Financial Income	MVR 1,520,549.31
Profit Loss	MVR (645,800.00)

* Revenue include Ihram sold to March Umrah 2020 pilgrims and Dua books sold to pilgrims.

** Cost of Sales are irrecoverable, incurred for the scheduled March Umrah 2020 trip which was cancelled by the Saudi Arabian measures subject to COVID 19 pandemic.

Business Developments

• In January 2020, MHCL officially launched Corporate Membership Scheme where participation of Hajj and Umrah trips for corporates were introduced.

Operational

- Global implications to COVID19 pandemic, restricting travel implied negligible business activity during the first three months of 2020. Planned events as March Umrah were called off in the last minute subject to measures by Saudi Arabian authorities, despite extensive preparations committed in anticipation.
- In preparation for the Hajj 2020 season, representatives from the company visited Saudi Arabia during the quarter to negotiate arrangements as hotel accommodation contracts.
- To address the anticipated increase in pilgrims, a new contract for accommodation was entered into with a new company

Marketing

- Launching of new products
 - Corporate membership scheme.
- Advertising and promotion
 - Conducted a series of promotional activities and information sessions in Male', Hulhumale' and Addu city.
 - Promoted MHCL products and business activities in live TV and Radio programs.



Board Activities

DIRECTORS NAME	DESIGNATION	BOARD MEETING	AUDIT COMMITTEE	
Dr. Mohamed Kinaanath	Chairman	3/3	0/0	
Mr. Ismail Hameed	Managing Director	3/3	0/0	
Mr. Mohamed Shafeeg	NED	3/3	1/1	
Ms. Fathimath Leena	NED	2/3	1/1	
Mr. Mohamed Nashid	NED	3/3	1/1	
MEETING	NUMBER OF MEETING			
Board meeting	3			
Audit committee	1			

Financial Statements

Income Statement

Income Statement				
	2020	2019	2019	2019
	Q1	Q4	Q3	Q2
Revenue	5,125.00	3,458,021.15	72,152,315.39	3,286,028.30
Cost of Sales	106,126.90	3,602,427.15	81,251,018.24	3,492,879.93
Gross Profit/(Loss)	(101,001.90)	(144,406.00)	(9,098,702.85)	(206,851.63)
Selling and Marketing costs	56,874.01	40,170.18	11,876.00	38,642.27
Administrative costs	1,289,751.26	1,471,870.69	1,601,064.46	1,641,692.22
Other operating expenses	718,722.33	786,263.30	592,254.13	92,441.32
Operating profit/(Loss)	(2,166,349.50)	(2,442,710.17)	(11,303,897.44)	(1,979,627.44)
Finance Income	1,520,549.31	1,705,085.50	1,052,953.79	1,002,813.14
Finance cost				
Profit/ (Loss) before tax	(645,800.19)	(737,624.67)	(10,250,943.65)	(976,814.30)
Business profit tax				
Profit/(Loss) after tax	(645,800.19)	(737,624.67)	(10,250,943.65)	(976,814.30)



Statement of Financial Position

Statement of Financial Position	2020	2019	2019	2019
	Q1	Q4	Q3	Q2
Assets				
Non-Current Assets				
Property plant and equipment	1,348,351.99	1,381,456.12	1,036,634.00	931,856.81
Held-to-maturity investments	97,879,663.27	97,499,955.74	76,000,000.00	81,000,000.00
Intangible Assets				
Total Noncurrent Assets	99,228,015.26	98,881,411.86	77,036,634.00	81,931,856.81
Current Assets				
Inventories	787,149.56	787,149.56	781,887.00	964,600.00
Trade and other receivables & Prepayments	23,413,505.45	3,847,690.41	4,000,244.00	35,942,465.58
Cash and cash equivalent	18,375,376.45	24,961,645.82	24,901,298.28	49,497,219.55
Total current assets	42,576,031.46	29,596,485.79	29,683,429.28	86,404,285.13
Total Assets	141,804,046.72	128,477,897.65	106,720,063.28	168,336,141.94
Equity and Reserve				
Share capital	35,500,000.00	35,500,000.00	32,500,000.00	31,500,000.00
Retained earning	(60,055,166.78)	(59,409,366.59)	(58,671,741.92)	(48,420,798.27)
Total Equity	(24,555,166.78)	(23,909,366.59)	(26,171,741.92)	(16,920,798.27)
Non-Current Liabilities				
Advance received from customers for Hajj	127,020,102.71	123,364,543.40	130,307,333.19	178,464,599.77
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Trade and other payables	858,360.05	1,036,719.80	2,584,472.00	6,792,340.44
Advance received from customers for Hajj	38,480,750.00	27,986,000.00		6 700 046 55
Total current liabilities	39,339,110.05	29,022,719.80	2,584,472.00	6,792,340.44
Total liabilities	166,359,212.76	152,387,263.20	132,891,805.19	185,256,940.21
Total equity and liabilities	141,804,045.98	128,477,896.61	106,720,063.27	168,336,141.94



Cash Flow Statement

Cash flow statement	2020	2019	2019	2019
	Q1	Q4	Q3	Q2
Profit before business profit tax	(645,800.19)	(737,624.67)	(10,250,943.65)	(976,814.30)
Adjustments for:				
Depreciation & amortization	82,577.84	81,372.93	69,756.70	63,959.01
Income from investment	(1,520,549.31)	(1,705,085.50)	(1,052,953.79)	(1,002,813.14)
Change in working capital				
Inventories	-	(5,262.56)	182,713.00	50,768.42
Trade and other receivables	(19,565,815.04)	152,553.59	31,942,221.58	(15,441,152.16)
Trade and other payables	(178,359.75)	(1,547,752.20)	(4,207,868.44)	5,186,684.44
Net cash generated from operating activities	(21,827,946.45)	(3,761,798.41)	16,682,925.40	(12,119,367.73)
Cash flow from investing activities				
Purchase of Property plant and equipment	(49,473.71)	(426,195.05)	(174,533.89)	(54,137.15)
Loan repayment received from related parties				
Income received from investments	1,520,549.31	1,705,085.50	1,052,953.79	1,002,813.14
Investments	(379,707.53)	(21,499,955.74)	5,000,000.00	(20,000,000.00)
Dividend received				
Net cash generated from investing activities	1,091,368.07	(20,221,065.29)	5,878,419.90	(19,051,324.01)
Cash flow from financing activities				
Advance Deposits:Hajj	14,150,309.31	21,043,210.21	(48,157,266.58)	10,979,247.04
Investment Income for SAH:FSM Mudharaba investment				
Proceeds from share issuance	-	3,000,000.00	1,000,000.00	2,000,000.00
Net payment made from currency SWAP				
Dividend paid to shareholders				
Net cash generated from financing activities	14,150,309.31	24,043,210.21	(47,157,266.58)	12,979,247.04
Net increase/ decrease in cash and cash equivalent	(6,586,269.07)	60,346.51	(24,595,921.28)	(18,191,444.70)
Cash and cash equivalent at beginning of the quarter	24,961,645.82	24,901,298.27	49,497,219.55	67,688,664.25
Cash and cash equivalent at end of the quarter	18,375,376.75	24,961,644.78	24,901,298.27	49,497,219.55