

**FINANCIAL HIGHLIGHTS**

Details	Amount	Percentage -Quarterly
Revenue	248,084,935	25%
Operating Profit	81,164,222	22%
Earnings per Share	256	22%
Net Profit	68,235,504	22%

**OPERATIONAL HIGHLIGHTS**

**MAJOR ACHIEVEMENTS**

**CUSTOMER SERVICE ENHANCEMENT**

- Service guideline revision – Final draft shared to guideline revision committee for comments.
- Water leak bill adjustment policy – Final draft shared to the management for comments.
- Water & Sewer Service Application and Application for Registration Change – PR was given the arrangement of the forms to design.
- New CRM for CSD – Inputs and development shared to ICTD and enhancement meetings are still ongoing with ICTD.
- Self-generated Statement of Accounts – Meeting conducted with ICTD to discuss options and developments for generating statements using the Portal/App.
- Live SMS for Application Services – An internal discussion meeting was held, and work on revisions is still underway.

**MANUFACTURING ENHANCEMENT**

- Continuation of glass bottling project. Design work carried out.
- Initiation of Gulhifalhu bottling factory project.
- Completion of operational enhancement projects; carbon filter, and heat exchanger.
- Contribution to MWSC's external projects, from pipe production.
- Technical study carried out for conduit pipe manufacturing. Business feasibility study initiated.

**OPERATIONAL ENHANCEMENT**

- Fuel tank calibration complete by external party (Male', Hulhumale', Villimale' and Maafushi).
- Fuel tank level sensor installation and digitization complete (Male', Hulhumale', Villimale' and Thilafushi).
- CAT10 new engine block installed and commissioned.
- CAT3 2nd top overhaul completed.
- Male' main CIP system online.
- Hulhumale' new degasifier installation on new tank structure.
- Male' main CLO2 system replaced.

**WASTE WATER & NETWORK ENHANCEMENTS**

- Main line Repairs to water network - Male' and Hulhumale Ph 2.
- Repairs to Sewerage Network - Hulhumale Ph 2.
- Sewerage Pump stations & Network maintenance.
- Water & Sewer network upgrading.
- Pump Station upgrading.
- Old Water Replacement Program

**WATER & SEWER PROJECTS COMPLETED**

- Male' Fire Hydrant project completed in May 2021, (Completion certificate pending)

#### **CURRENT BUSINESS POSITION**

- The company has worked diligently to provide the people of Male' with potable water and manage wastewater sustainably, and at present serves approximately more than 50% of the Maldivian population.
- MWSC currently has 8 operation centers; Male', Hulhumale', Vilimale', Gulhifalhu, Thilafushi, Dhuvaafaru, Kulhudhuffushi, and has employed more than 1000 employees.
- MWSC is the producer of TaZa bottled water (330ml, 500ml & 1500ml), preforms, shrink film, and stretch films. MWSC is the sole manufacturer of PVC and PE pipes in Maldives, and PVC pipe commercialization is planned for the local market.
- The company always strive to deliver quality products and services to customer and have implemented and follows stringent international standards (ISO/OHSAS/HACCP).

#### **BUSINESS CONCEPTS**

- Sustainable service: Since MWSC is a company providing a necessary utility, we aim to provide a reliable and uninterrupted service. Hence, we strive to secure the 24-hour service by investing in a long term 'Water Security Plan'. We ensure sustainable service by upgrading our systems well in advance.
- Excellence in customer service: We strive to provide excellent customer services that is accessible to all our customers conveniently. To achieve this, we have established online application, mobile app, Self-service kiosk, 24-hour Customer Service, etc.
- Excellence in quality: MWSC strives to provide its service through a highly controlled and monitored quality procedures. Hence the company complies with internationally recognized Quality Standards and the regulatory authority's guidelines.
- The company adopt process enhancement and cost reduction strategies to improve efficiency.

#### **HOW WELL BUSINESS OBJECTIVES AND GOAL ARE ACHIEVED**

- MWSC's vision statement is to provide safe water and sewerage services that is sustainable, affordable and environment friendly.
- Our Mission is "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."

- Water Security: To make MWSC's service more reliable and secured, the company has built separate water production & storages at different locations in Male' apart from the main production center. Also, we have integrated the production center in Hulhumale' & Male' through the Sina-Male' bridge pipeline. Company anticipates to strengthen water and wastewater management in the region with the allotment of additional land space for water storage tanks and pump station by the Government.

- MWSC set out a 10-year strategic plan in 2017 that state a strategic goal to achieve MVR 2 billion in total revenue by 2027 of which 70% of income will come from non-utility sectors. This objective leads the company to invest in other profitable businesses to diversify the company's business activities and gain revenues apart from the utility service provided by the company.

Total Revenue	2021, Q2 (MVR)	2020, Q1 (MVR)
	248,084,935	204,402,239

## MARKET HIGHLIGHTS

### Advertising and Promotion

CAMPAIGN NAME	ACTIVITIES	OUTCOME
<b>Mivaa Gothakee Social media campaign</b>	To create awareness on the services provided by MWSC, especially focusing on frequently asked questions.	Improve service awareness levels.
<b>Digital platforms awareness (#OnlineKohlaa campaign)</b>	Continuous awareness on digital tools available at MWSC for payment and billing.	Increase the number of customers who use the digital platforms.
<b>Water Heroes</b>	Water Heroes Series two was launched this year, focusing on assuring that the water produced by MWSC is safe and to create awareness on the importance of safe water conservation. This campaign is being conducted via social media.	Increase in number of social media impressions. Positive feedback from the public.
<b>26th Anniversary Activities</b>	virtual run was held and employees took turn from their homes, offices and outdoors to complete 26 hours, representing 26 years of our dedicated service. This was covered on all of our social media platforms.	Positive feedback from the staff.
<b>Social media special campaigns for Ramadan</b>	During Ramadan, 'Sufuraamathin' program was run on social media where staff presented their recipes. These recipes were shared weekly. 'Roadha aai Bodu Saafu' was also a campaign that was done for Ramadan to give tips on deep cleaning the house before the holy month started.	Increase in number of social media impressions and post saves. Public participation and interactions by sharing pictures of them trying the recipe.
<b>Launching of Viber Community platform</b>	Viber Community was launched to create more awareness and on a different social media platform. Posts shared on social media will be usually posted on this group including important announcements and updates on events and promotions.	Reaching customers via various tools.

### LAUNCHING OF NEW PRODUCTS/SERVICES

- No new products launched in Q2, 2021

### Diversification

- No diversification strategies executed within Quarter 2, 2021.

**Board Activities**

Directors Name	Designation	Board meeting	Audit & Remuneration Committee	Risk Committee	Remuneration Committee	Compliance Committee
Ahmed Mausoom	Chairman	3/3	0/0	0/0	0/0	0/0
Hassan Shah	Managing Director	3/3	0/0	0/0	0/0	0/0
Mohamed Shareef	Deputy Managing Director	3/3	0/0	0/0	0/0	0/0
Fathmath Hana	NED	3/3	4/4	0/0	0/0	0/0
Ibrahim Anwar	NED	3/3	4/4	0/0	0/0	0/0
Ahmed Evan Ismail	NED	3/3	4/4	0/0	0/0	0/0

Meeting	Number of Meeting
Board meeting	3
Audit and Remuneration committee	4
Risk Committee	0
Remuneration Committee	0
Compliance Committee	0

## Ongoing Project Details

#	Project Name	Project commencement date	Project completion date	Project value	Billed Amount	Billed Completion %
1	Male' - Storm water upgrading phase 4	2017	2021	12,215,710	6,718,641	55%
2	Male' - Road upgrading - con of pump well	2017	2021	6,831,240	3,757,182	55%
3	Guraidhoo water extension works	2018	2021	486,917	243,459	50%
4	Rasdho - Water Project – 2018	2018	2021	26,841,361	28,885,123	108%
5	Kurendoo - Sewer Project - 2018	2018	2021	29,401,919	24,368,233	83%
6	Goidhoo -Design&Built W&S facilities	2019	2021	43,683,667	15,224,046	35%
7	Kinolhus - Design&Built W&S Facilities	2019	2021	34,007,577	12,891,858	38%
8	Kudafari - Design&Built W&S Facilities	2019	2021	36,081,054	14,527,101	40%
9	Maalhendhoo -Design&Built W&S Facilities	2019	2021	40,542,783	14,168,530	35%
10	Thinadhoo -Supply&Install 1000Tonx2Tanks	2019	2021	6,824,283	6,534,251	96%
11	Hangnaameedhoo -Des&Built Water supply	2019	2021	20,426,300	-	0%
12	VIA - Construction of new sewer network	2020	2021	14,625,663	7,991,644	55%
13	AA. Rasdho - Sewer Network Repair	2020	2021	3,056,718	3,187,007	104%
14	NAIFARU - SEWER PROJECT	2020	2021	22,892,511	3,433,877	15%
15	NAIFARU - PROV OF WATER SUPP FACILITY	2020	2021	12,392,485	-	0%
16	VEYMANDOO - SEWER PROJECT	2020	2021	16,182,336	2,427,350	15%
17	VAADHOO - D&B of Water & Sewer System	2020	2022	57,173,665	8,576,050	15%
18	FIYORI - D&B of Water & Sewer System	2020	2022	56,190,136	8,428,520	15%
19	KENDHOO - D&B of Water & Sewer System	2020	2022	53,062,675	7,959,401	15%
20	DHARAVANDHOO - D&B of Sewer System	2020	2022	38,018,039	5,702,706	15%
21	FERIDHOO - Supply of of W&S facility	2020	2022	65,401,568	-	0%
22	FAINU - Supply of W&S facility	2020	2022	59,758,840	-	0%
23	FEEVAH - Prov of Water Supply System	2020	2022	46,795,678	-	0%
24	FOHDHOO - Supply of W&S facility	2020	2022	54,856,251	-	0%
25	SH. GOIDHOO - Supply of W&S facility	2020	2022	81,178,090	-	0%
26	HENBADHOO - Prov of Water Supply System	2020	2022	39,019,785	-	0%
27	HIMANDHOO - Supply of W&S facility	2020	2022	62,108,061	-	0%
28	HIRIMARADHOO - Supply of W&S facility	2020	2022	65,226,652	-	0%
29	INNAMAADHOO - Prov of Water Supp System	2020	2022	47,897,458	-	0%
30	KAMADHOO - Supply of W&S facility	2020	2022	53,455,094	-	0%
31	KUMUNDHOO - Supply of W&S facility	2020	2022	96,386,820	-	0%
32	KUNBURUDHOO - Supply of W&S facility	2020	2022	42,568,694	-	0%
33	MAAFARU - Supply of W&S facility	2020	2022	89,072,109	-	0%
34	MAALHOS -Supply of W&S facility	2020	2022	57,026,492	-	0%
35	MAARANDHOO - Supply of W&S facility	2020	2022	68,686,968	-	0%
36	MATHIVERI - Prov of Water Supply System	2020	2022	36,631,388	-	0%
37	MURADHOO - Prov of Water Supply System	2020	2022	44,198,364	-	0%
38	OLHUVELIFUSHI - Supply of W&S facility	2020	2022	75,549,398	-	0%
39	THAKANDHOO - Supply of W&S facility	2020	2022	72,401,279	-	0%
40	VASHAFARU - Supply of W&S facility	2020	2022	74,453,238	-	0%
41	HMAL - D&C of fire hydrant system PH2	2021	2022	123,360,000	-	0%

### TOTAL

1,886,969,266 175,024,979 9%

### Note:

Total Excluding 20 Islands Projects and Fire Hydrant Project (Billing in installments after completion)

530,937,040 175,024,979 33%



## Income Statement

	Note	Q3 2020	Q4 2020	Q1 2021	Q2 2021
Revenue	1	200,456,418	292,708,456	258,313,752	248,084,935
Cost of Sales	2	80,586,006	85,647,141	108,107,068	100,394,064
<b>Gross Profit</b>		<b>119,870,411</b>	<b>207,061,315</b>	<b>150,206,684</b>	<b>147,690,871</b>
<b>Other Income</b>	3	<b>11,283,718</b>	<b>17,380,802</b>	<b>6,073,308</b>	<b>10,890,378</b>
Selling and Marketing costs	6	683,301	1,236,501	1,003,054	734,314
Administrative costs	4	62,021,325	43,345,052	58,656,070	57,874,837
Other operating expenses	5	18,156,351	18,876,331	18,685,544	18,807,876
<b>Operating profit</b>		<b>50,293,152</b>	<b>160,984,234</b>	<b>77,935,324</b>	<b>81,164,222</b>
Finance Income	7	155,981	69,285	7,359	307,516
Finance cost	8	2,057,274	1,963,442	1,806,484	1,194,675
<b>Profit before tax</b>		<b>48,391,859</b>	<b>159,090,077</b>	<b>76,136,199</b>	<b>80,277,063</b>
Business profit tax		7,258,779	24,694,623	11,420,430	12,041,559
<b>Profit after tax</b>		<b>41,133,080</b>	<b>134,395,454</b>	<b>64,715,769</b>	<b>68,235,504</b>
		-	-	-	-
<b>Attributable to:</b>					
Parent		41,133,080	134,395,454	64,715,769	68,235,504
Non-controlling interest		-	-	-	-
EPS		154	503	242	256

## Notes to the Financial Statement 2021 Quarter 2

### 1 Revenue

Details	MVR
Utilities	191,244,434
Manufacturing	26,944,867
Ice Manufacturing	337,492
Projects	26,317,828
Trading	3,059,914
Waste Management	180,400
<b>Total</b>	<b>248,084,935</b>

### 2 Cost of Sales

Details	MVR
Utilities	57,169,020
Manufacturing	19,026,128
Ice Manufacturing	497,957
Projects	22,454,627
Trading	714,223
Waste Management	532,108
<b>Total</b>	<b>100,394,064</b>

### 3 Other Income

Details	MVR
New con/Re-location/Termination & Others	(1,298,937)
Water Other Income	9,660,917
Rental Income	(1,315,300)
Dividend Income	-
Management & Consultancy	60,000
Miscellaneous Income	3,617,878
Booster AMC Fees	165,417
Discount Received	403
Net O&M projects income	-
<b>Total</b>	<b>10,890,378</b>

### 4 Administrative costs

Details	MVR
Staff Costs	31,677,293
Consultancy charges	444,444
Travelling expenses	14,274
Transport	411,027
Training	815,776
Utilities expenses	2,895,954
Printing and Stationery	246,221
Insurance	699,612
Repair & Maintenance of Building & Furniture -others	1,974,262
Audit Expenses	-
Rent Expenses	2,213,439
Entertainment & Other Expenses	1,063,429
Freight & Duty	2,230,821
Licence Fees	31,009
IT & IS Licencing & Maintenance	4,642,139
Outsourced Security & Maintenance	663,402
Fire Protection Expenditure	70,177
GST & WHT	2,797,412
Director Fee & Board Expenses	270,108
Discount Allowed	-
Research and Development Expenses	176,060
Finance Expenses	3,973,413
Exchange Gain/Loss	197,892
Loss/Gain on Sale of Asset	366,675
<b>Total</b>	<b>57,874,837</b>

### 5 Other operating expenses

Details	MVR
Depreciation & Amortisation	18,807,876
Provision for Bad Debts	-
<b>Total</b>	<b>18,807,876</b>

### 6 Selling and Marketing costs

Details	MVR
Advertisement, publication & subscription	-
Marketing Relation Exp.	712,982
CSR Expenditure	-
Customer Service Exp	4,700
Business Development Expenses	-
Sales Expenses	16,632
<b>Total</b>	<b>734,314</b>

### 7 Finance Income

Details	MVR
Interest Income	7,359
<b>Total</b>	<b>7,359</b>

### 8 Finance cost

Details	MVR
Interest Expense	1,194,675
<b>Total</b>	<b>1,194,675</b>

## Statement of Financial Position as at

	Q3 2020	Q4 2020	Q1 2021	Q2 2021
<b>Assets</b>				
<b>Non Current Assets</b>	<b>1,544,663,828</b>	<b>1,598,233,252</b>	<b>1,625,035,364</b>	<b>1,635,091,292</b>
Operating Assets	1,676,131,385	1,680,512,794	1,755,852,444	1,755,764,762
Less : Accumulated Depreciation	878,649,905	899,473,703	913,012,205	926,633,942
Add : Capital Work In Progress	739,532,347	809,544,161	774,545,124	798,310,471
Investment in IBM	7,650,000	7,650,000	7,650,000	7,650,000
		382,633,789		
<b>Current Assets</b>	<b>1,001,984,809</b>	<b>990,064,163</b>	<b>1,118,473,529</b>	<b>1,108,652,460</b>
Inventories	287,072,777	282,721,803	267,308,071	274,463,373
Advance Payments	74,727,035	44,275,277	91,337,906	139,817,702
Trade Debtors	235,137,332	215,186,955	229,811,376	209,803,701
Other Receivables	138,634,861	123,097,917	209,129,337	189,665,436
O&M Receivables	60,000	60,000	60,000	60,000
Short Term Investments	3,059	3,059	3,059	-
Foreign Currency Valuation Adjustment	(49,516)	(3,199)	(2,159)	63,049
Cash in Hand & at Bank	234,095,103	294,849,718	293,910,286	230,568,413
WIP - External Projects	13,631	13,781	13,781	40,806,218
Unrealised Interest	32,290,527	29,858,853	26,901,873	23,404,569
<b>TOTAL ASSETS</b>	<b>2,546,648,637</b>	<b>2,588,297,415</b>	<b>2,743,508,893</b>	<b>2,743,743,752</b>
		69,710,266		
<b>Current Liabilities</b>	<b>785,117,703</b>	<b>755,256,991</b>	<b>688,391,270</b>	<b>750,722,642</b>
Trade Payables	33,889,122	35,854,783	24,012,113	46,951,717
O&M - Collection Payables	9,265,984	9,239,987	9,415,852	9,409,184
HR payable	(1,243)	17,171	17,335	814,149
O&M Reserve	1,314,034	1,314,034	1,314,034	1,314,034
Accrued Expenses & Provisions	(6,036,751)	1,249,936	4,210,762	11,370,007
Advance Received	20,810,358	20,810,358	20,878,246	20,878,246
Dividends Payable	667,675,263	628,791,714	628,791,714	576,000,587
Deposits Received	680,917	680,917	680,917	680,917
Income Tax Payable	18,913,021	21,197,186	(44,953,615)	28,111,136
GRIR & Other Clearing Accounts	3,977,456	1,471,364	8,466,087	19,634,839
Current Portion of Long term Loans	34,629,542	34,629,542	34,629,542	34,629,542
Deffered Income - Gov Grants	928,284	928,284	928,284	928,284
<b>Capital and Reserves</b>	<b>1,499,833,368</b>	<b>1,585,641,041</b>	<b>1,800,236,655</b>	<b>1,756,533,613</b>
Called Up Share Capital	267,000,000	267,000,000	267,000,000	267,000,000
Share Premium	3,042	3,042	3,042	3,042
Share Allotment	-	-	-	-
General Reserve	894,068,205	894,068,205	894,068,205	894,068,205
Asset Replacement Fund	123,121,290	123,121,290	123,121,290	123,121,290
Retained Reserve	19,803,879	19,803,864	451,671,567	343,654,222
Project Reserve	(343,218)	226,952	(343,218)	(343,218)
Current year Profit / Loss	196,180,171	281,417,689	64,715,769	129,030,072
<b>Long Term Liabilities</b>	<b>260,769,282</b>	<b>247,399,382</b>	<b>254,880,968</b>	<b>236,487,498</b>
Long Term Loans	152,838,871	140,169,656	124,491,510	108,665,093
Lease Liability	87,558,059	86,857,374	110,945,390	110,778,852
Deferred Tax-Liability	7,429,784	7,429,784	7,429,784	5,029,268
Deffered Income - Gov Grants	12,942,568	12,014,284	12,014,284	12,014,284
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,546,648,638</b>	<b>2,588,297,415</b>	<b>2,743,508,893</b>	<b>2,743,743,752</b>



## Cash Flow Statement for the Quarter

	Q3 2020	Q4 2020	Q1 2021	Q2 2021
<b>Cash flow from operating activities</b>				
Profit before business profit tax	48,391,859	125,755,610	76,136,199	75,663,886
<u>Adjustments for:</u>				
Depreciation & amortization	20,979,846	20,823,798	13,538,502	23,954,918
Interest income	(134,201)	483,411	(7,359)	(307,516)
Interest expenses	(2,378,902)	6,399,617	1,806,484	1,194,675
Dividend income	-	-	(199,233)	-
Provision for impairment of receivables	-	-	-	-
Profit/Loss on disposal of proper, plant and equipment	-	-	-	1,747,111
Provision for slow and non moving inventories	-	-	-	-
Lease Interest	(595,525)	5,320,385	2,219,237	2,213,439
Deffered Income	-	(928,284)	-	-
<u>Change in working capital</u>				
Inventories	(3,887,130)	4,350,974	15,413,732	(7,155,302)
Trade and other receivables	44,311,184	(9,491,352)	(94,574,239)	(53,126,639)
Trade and other payables	(17,560,881)	12,016,439	52,430,350	38,793,913
	<b>89,126,250</b>	<b>164,730,600</b>	<b>66,763,674</b>	<b>82,978,485</b>
Interest paid	2,378,902	(6,399,617)	(1,806,484)	(1,194,675)
Interest received	134,201	(483,411)	7,359	307,516
Business profit tax paid	(12,757,750)	(11,071,849)	(28,925,690)	-
<b>Net cash generated / used from operating activities</b>	<b>78,881,603</b>	<b>146,775,722</b>	<b>36,038,859</b>	<b>82,091,327</b>
<b>Cash flow from investing activities</b>				
Purchase of Property plant and equipment	(57,292,927)	(20,820,007)	(24,023,231)	(68,916,712)
Investment In T-Bill (Net)	40,000,000	-	-	-
Dividend received	-	-	199,233	-
<b>Net cash generated / used from investing activities</b>	<b>(17,292,927)</b>	<b>(20,820,007)</b>	<b>(23,823,998)</b>	<b>(68,916,712)</b>
<b>Cash flow from financing activities</b>				
Proceeds from borrowing	-	-	-	-
Repayment of loan	(18,910,034)	(15,201,100)	(13,154,293)	(23,725,361)
Proceeds from share issuance	-	-	-	-
Dividend paid to shareholders	(25,000,000)	(50,000,000)	-	(52,791,126)
<b>Net cash generated / used from financing activities</b>	<b>(43,910,034)</b>	<b>(65,201,100)</b>	<b>(13,154,293)</b>	<b>(76,516,487)</b>
<b>Net increase/ decrease in cash and cash equivalent</b>	<b>17,678,642</b>	<b>60,754,615</b>	<b>(939,432)</b>	<b>(63,341,872)</b>
Cash and cash equivalent at beginning of the quarter	216,416,460	234,095,103	294,849,718	293,910,286
<b>Cash and cash equivalent at end of the quarter</b>	<b>234,095,103</b>	<b>294,849,718</b>	<b>293,910,286</b>	<b>230,568,413</b>

## Segmental performance 2021

As of Quarter 2

	Utilities	Manufacturing	Ice Manufacturing	External Projects	Trading	Waste Management	Total
	MVR	MVR	MVR	MVR	MVR	MVR	MVR
Revenue	378,261,260	54,651,478	886,175	48,800,442	9,163,098	362,100	492,124,553
COS	114,887,718	37,331,199	986,696	40,724,302	3,309,323	1,020,688	198,259,926
GP	<b>263,373,542</b>	<b>17,320,279</b>	<b>(100,521)</b>	<b>8,076,140</b>	<b>5,853,775</b>	<b>(658,588)</b>	<b>293,864,627</b>
Other Income	16,859,106	967	-	-	418,489	-	17,278,562
Indirect Expenditure	148,085,734	5,727,046	260,495	-	5,000,359	269,469	159,343,104
Profit Before Tax	<b>132,146,913</b>	<b>11,594,199</b>	<b>(361,016)</b>	<b>8,076,140</b>	<b>1,271,905</b>	<b>(928,057)</b>	<b>151,800,085</b>
Tax	19,822,037	1,739,130	(54,152)	1,211,421	190,786	(139,208)	22,770,013
Net Profit	<b>112,324,876</b>	<b>9,855,069</b>	<b>(306,864)</b>	<b>6,864,719</b>	<b>1,081,119</b>	<b>(788,848)</b>	<b>129,030,072</b>