



QUARTERLY REPORT 2024

MWSC

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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 Q3, 2024 MWSC achieved significant milestones across its Utility, Engineering, and Manufacturing segments, demonstrating its unwavering commitment to enhancing the quality of life for Maldivian communities through improved infrastructure and innovative solutions. Overall, the company made substantial progress in strengthening water security, expanding operational capabilities, and enhancing community engagement. Key developments in water security included the installation of a -10,000cbm water storage tank in Hulhumalé and the initiation of research into subsea desalination technology to enhance access to clean water. Additionally, completed water and sewerage projects in N. Maafaru and Hdh. Kumundhoo further improved the accessibility of clean water and sanitation for the people in those communities, while the commencement of pipe production marked a major advancement, benefiting the Maldives' manufacturing and construction sectors.

The third quarter of 2024 marked a period of continued resilience and growth, driven by our strategic priorities in revenue generation and operational optimization. We achieved total revenue of MVR 335.2 million this quarter. Our gross profit margin improved to

52%, up from 48% in the second quarter, reflecting our efforts in streamlining costs and enhancing profitability. Net profit stood at MVR 47.6 million, further solidifying our financial position.

As we move forward, we remain confident in our ability to capitalize on emerging opportunities in the coming quarters.

Strategy Overview

Established in April 1st, 1995, MWSC 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, **U**nbiased, **R**espect, **E**ntrepreneurial

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

1000TPD Container plant installation and commissioning at Male' Operations.

Completed

BH5 repair and manifold modification at Male' Operations.

Completed

BH11 installation at Male' Operations.

Completed

BH15 repair at Male' Operations.

Completed

CAT14 exciter replacement at Hulhumale' Operations.

Completed

Real-time monitoring installation at pump station ongoing in Male'

95% completed

RO12 feed bypass line installation at Male' Operations.

Completed

Laying additional sea-outfall pipe at Hulhumale'

Completed

Installation of ventilation system at pump station 2 & 4 in Male'

Completed

PS 9 & 2 Sea Outfall pipe repair and modification work

Re-tendering stage

First CIP of RO9,10 and 11 at Male' Operations.

Completed

PS 9 & 2 pumping mainline diversion to Industrial Village

Planning stage

Construction of pump station 3 at Hulhumale'

Construction stage

Water Network Upgrading (Street Scaping Project) not carried out until July 2024. Project on hold until further notice from the relevant authorities.

On halt



Strategic Initiatives and Achievements

Engineering Segment

Construction of Water Supply and Sewerage Facilities in N. Maafaru

Testing and commissioning done on 22nd to 23rd July 2024

Construction of Water Supply and Sewerage Facilities in Hdh. Kumundhoo

Testing and commissioning done on 17th to 18th July 2024

Strategic Initiatives Segment

Design, Supply, Installation and Commissioning of a 5,000TPD RO Plant - Male.

Tendering process on going

Design, Supply, Installation and Commissioning of a 5,000TPD RO Plant - Hulhumale'

Tendering process on going

Manufacturing Segment

Upgrade project of glass bottling line pretreatment system

Completed

Commencement of pipe production and successfully launched to the market

Completed

Initiated feasibility study to assess the relocation of Hulhumale' Manufacturing facilities to Gulhifalhu by 2026.

Ongoing



Board Activities

Board Composition

The Board composition as of 30th September 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 Raeef

Board Member
Appointed 21 Jan 24



Aishath Roohy

Board Member
Appointed 24 Dec 23



Shu Kodama

Board Member
Appointed 1 Oct 18

Major Board Decisions

- There were no changes to the Board of Directors during the Quarter
- Annual General Meeting of the company was held on 31st July 2024
- Approved 2nd Quarter report
- Approved to proceed with the first Tranche of Capital Market Financing through private placement
- Approved Disposal of two assets
- Approved for feasibility study- Subsea Reverse Osmosis Project in Maldives
- Approved amendments to the Water Leak Bill Adjustment Policy
- Approved partnership for Rasfari Marine Protected Area Restoration Project under CSR
- Approved Sale of the Malas Residence 36 Units
- Approved of New Credit Facility Request to Commercial Bank of Maldives
- Approved of Capital Market Financing Tranche 1, MVR 200 million Prospectus Submission
- Deliberated on the Business Strategy for the year 2025

Board Activities

Directors Name	Designation	Board Meeting	Audit Committee	Risk Committee	Remuneration Committee	Compliance Committee
Shamhooza Ahmed	Chairman	3/3	0/0	0/0	0/0	0/0
Abdul Matheen Mohamed	Managing Director	3/3	0/0	0/0	0/0	0/0
Abdul Salam Mohamed	Deputy Managing Director	3/3	0/0	0/0	0/0	0/0
Aishath Roohy	NED	3/3	1/1	0/0	0/0	0/0
Hassan Raeef	NED	3/3	1/1	0/0	0/0	0/0
Shu Kodama	NED	3/3	1/1	0/0	0/0	0/0

Meetings

Board Meeting

03

Remuneration Committee

00

Audit & Remuneration Committee

01

Compliance Committee

00

Risk Committee

00

Ms Fathimath Liusha
Company Secretary

KPMG
Appointed Auditors of the Company

Executive Management Team



Mohamed Fazeel Rasheed
Deputy Managing Director



Abdul Matheen Mohamed
Managing Director



Abdul Salaam Mohamed
Deputy Managing Director



Ali Shaheem
General Manager,
Manufacturing



Mohamed Imran Adnan
General Manager,
Utility Collections



Yoosuf Naleez
General Manager, Human
Resource & Administration



Bushra Hameed
General Manager,
Engineering



Mohamed Sameer
General Manager,
Business Development



Rusthum Mohamed
General Manager,
Operations



Ahmed Hunaif
General Manager,
ICT



Ali Shareef
Chief Financial
Officer

Financial Highlights

INCOME STATEMENT & STATEMENT OF COMPREHENSIVE INCOME (unaudited)

	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Revenue	335,119,289	416,894,682	334,200,715	418,124,533	358,421,679
Cost of Sales	161,937,595	216,536,140	152,715,538	277,970,048	238,279,468
Gross Profit	173,181,694	200,358,542	181,485,177	140,154,485	120,142,211
Other Incomes	21,380,461	19,813,095	15,718,296	20,469,124	27,250,609
Valuation Loss/Gain					
Expenses					
Administrative expenses	(92,621,986)	(98,377,309)	(76,171,717)	(99,993,449)	(85,715,659)
Selling and Marketing expenses	(2,587,790)	(1,790,275)	(2,193,267)	(3,643,601)	(744,433)
CSR Activities Expenses	(481,156)	(592,118)	(452,487)	(634,790)	(2,923,058)
Other operating expenses	(22,747,299)	(22,020,871)	(22,410,593)	(9,710,377)	(8,323,859)
Impairment loss on financial assets	(9,530,233)	(17,610,349)			
Operating profit	66,593,692	79,780,716	95,975,409	46,641,392	49,685,811
Finance Income	1,364,103	2,304,916	505,190	3,365,947	55,675
Finance cost	(11,932,100)	(7,903,294)	(6,729,416)	(15,396,301)	(12,377,356)
Net Finance Cost	(10,567,997)	(5,598,378)	(6,224,225)	(12,030,355)	(12,321,682)
Profit before tax	56,025,696	74,182,338	89,751,183	34,611,038	37,364,129
Income Tax (BPT)	8,403,854	11,127,351	13,462,677	4,924,443	5,604,619
Profit after tax	47,621,841	63,054,987	76,288,506	29,686,595	31,759,510
Available for sale asset (gain/loss)					-
Defined benefit obligation					-
Revaluation (Gain/Loss)					-
Investment in equity instruments					-
Other comprehensive income (Gain/Loss)					-
Total Comprehensive Income	47,621,841	63,054,987	76,288,506	29,686,595	31,759,510
Profit attributable to:					
Parent	47,621,841	63,054,987	76,288,506	29,686,595	31,759,510
Non-controlling interest					
EPS	178	236	286	111	119

Financial Highlights

STATEMENT OF FINANCIAL POSITION (unaudited)

	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Assets					
Non-Current Assets					
Property plant and equipment	799,845,157	822,861,584	845,795,961	866,233,090	881,847,923
Work-in-progress	729,829,387	705,813,874	683,714,261	668,328,299	829,733,832
Investment property	14,887,292	15,143,613	15,874,479	15,655,686	16,474,990
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				8,807,427	
Intangible Assets	2,215,435	2,411,616	2,611,406	2,820,230	1,414,930
Net Investment in Lease	66,593,562	67,764,207	62,255,561	69,895,414	
Right of use assets	248,093,454	230,096,297	231,722,428	256,295,535	234,986,819
Total Noncurrent Assets	1,869,114,288	1,851,741,190	1,849,624,096	1,895,685,681	1,972,108,494
Current Assets					
Inventories	480,212,887	489,466,640	507,346,797	503,038,524	482,404,770
Trade and other receivables	1,027,648,352	999,205,509	988,339,053	651,064,223	831,284,044
Cash and cash equivalent	49,769,340	38,376,450	74,010,227	89,652,850	85,050,743
Other current assets	147,796,495	144,155,564	178,973,654	359,071,197	215,097,478
Net Investment in lease	4,863,352	4,863,352	4,863,352	4,863,352	
Total current assets	1,710,290,427	1,676,067,515	1,753,533,084	1,607,690,146	1,613,837,035
Total Assets	3,579,404,715	3,527,808,705	3,603,157,179	3,503,375,827	3,585,945,529

Financial Highlights

STATEMENT OF FINANCIAL POSITION (unaudited)

Continued...

	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 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	1,355,319,234	1,309,918,724	1,309,918,724	1,309,918,723	1,233,705,470
Revaluation reserve					
Fair value reserve					
Other reserve	(2,433,251)	165,014	637,798	-	(408,186)
Retained earning	244,467,528	336,978,666	298,678,187	169,137,591	423,819,060
Non-controlling interest					
Total Equity	1,864,356,554	1,914,065,446	1,876,237,751	1,746,059,356	1,924,119,386
Non-Current Liabilities					
Loans and borrowing	172,333,805	135,382,565	193,715,310	218,983,656	215,824,428
Deferred tax liabilities	(8,807,429)	(12,534,749)	(4,177,679)	-	(4,177,679)
Other non-current liabilities	336,413,195	252,148,508	259,137,540	338,242,930	250,952,353
Total non-current liabilities	499,939,571	374,996,323	448,675,172	557,226,586	462,599,102
Current liabilities					
Current tax liabilities	33,048,317	22,410,881	(21,304,272)	7,526,453	14,544,018
Derivative financial instrument					
Trade and other payables	1,007,474,018	987,952,776	1,110,128,250	1,034,303,009	1,024,675,420
Borrowing	132,976,128	166,195,267	144,450,804	119,204,562	97,462,216
Other current liabilities	41,610,126	62,188,011	44,969,475	39,055,861	62,545,387
Total current liabilities	1,215,108,589	1,238,746,936	1,278,244,257	1,200,089,885	1,199,227,041
Total liabilities	1,715,048,161	1,613,743,259	1,726,919,428	1,757,316,471	1,661,826,143
Total equity and liabilities	3,579,404,715	3,527,808,705	3,603,157,179	3,503,375,827	3,585,945,529

Financial Highlights

Cash flow statement (unaudited)

Cash flow from operating activities	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Profit before business profit tax	56,025,696	74,182,338	89,751,183	27,783,423
Adjustments for:				
Depreciation & amortization	27,226,310	24,296,239	27,817,262	28,231,472
Interest income	(1,364,103)	(2,304,916)	(505,190)	(3,334,006)
Interest expenses	11,932,100	2,048,738	1,882,764	8,609,629
Dividend income	-	-	-	(1,334,403)
Provision for impairment of receivables	9,530,233	17,610,349	127,612	28,706,328
Profit/Loss on disposal of proper, plant and equipment		-	-	-
Provision for slow and non moving inventories	2,192,483	4,450,512	-	-
Lease Interest	15,194,440	-	4,090,675	18,072,577
Deferred Income	(232,071)	(232,071)	(232,071)	(232,071)
Gratuity Expense & Service Cost	3,958,433	-	-	-
				-
Change in working capital				-
Inventories	7,061,269	13,429,646	4,510,373	(29,452,401)
Trade and other receivables	(38,609,610)	(19,505,703)	(64,420,458)	(37,715,426)
Trade and other payables	(34,116,405)	(99,051,296)	(4,291,202)	(36,246,122)
	58,798,775	14,923,835	58,730,947	3,089,000
Interest paid	(11,932,100)	(2,048,738)	(1,882,764)	(8,609,629)
Interest received	1,364,103	2,304,916	505,190	3,334,006
Business profit tax paid		-	(14,202,259)	-
Net cash generated / used from operating activities	48,230,779	15,180,013	43,151,115	(2,186,623)

Financial Highlights

Cash flow statement
(unaudited)

Continued...

Cash flow from operating activities	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Purchase of Property plant and equipment	(25,988,012)	(17,686,581)	(23,499,473)	(4,135,730)
Hiyaa Project payments	1,170,645	1,542,000	1,979,231	2,671,065
Dividend received		-	-	1,334,403
Net cash generated / used from investing activities	(24,817,367)	(16,144,581)	(21,520,242)	(130,262)
Net cash generated / used from investing activities	(16,144,581)	(21,520,242)	(130,262)	(3,884,896)
Cash flow from financing activities				
Proceeds from borrowing	51,874,930	-	-	32,724,845
Repayment of loan	(53,516,970)	(28,763,568)	(31,367,859)	(25,805,851)
Proceeds from share issuance		-	-	-
Dividend paid to shareholders	(10,378,482)	(5,905,641)	(5,905,637)	-
Net cash generated / used from financing activities	(12,020,522)	(34,669,209)	(37,273,496)	6,918,994
Net increase/ decrease in cash and cash equivalent	11,392,890	(35,633,777)	(15,642,623)	4,602,108
Cash and cash equivalent at beginning of the quarter	38,376,450	74,010,227	89,652,851	85,050,743
Cash and cash equivalent at end of the quarter	49,769,340	38,376,450	74,010,227	89,652,851



Shamhooza Ahmed
Chairman



Abdul Matheen Mohamed
Managing Director



Ali Shareef
Chief Financial Officer

Financial Highlights

Key Financial Highlights

Q3 2024

Revenue

335.1 mn

Net Profit

47.6 mn

Debt Equity Ratio

0.92

Net Worth

1.86 bn

Q2 2024

Revenue

416.9 mn

Net Profit

63.1 mn

Debt Equity Ratio

0.84

Net Worth

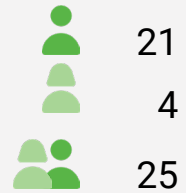
1.91bn

Operational Performance

Employee
Data

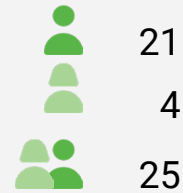
SENIOR MANAGEMENT AND HIGHER

Q3 2024



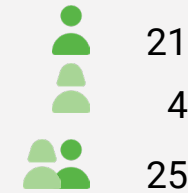
MVR 3,94,5551.68

Q2 2024



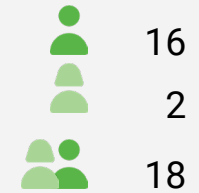
MVR 3,903,635.95

Q1 2024



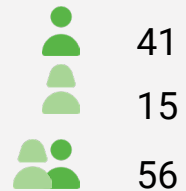
MVR 3,954,141.91

Q4 2023

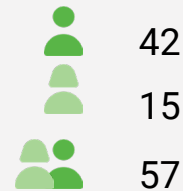


MVR 3,04,6945.03

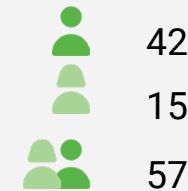
MANAGEMENT



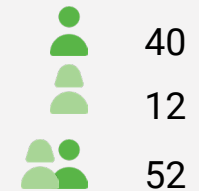
MVR 5,800,287.39



MVR 5,674,181.23

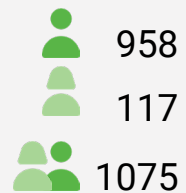


MVR 5,966,174.83

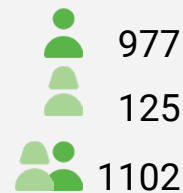


MVR 4,56,5412.29

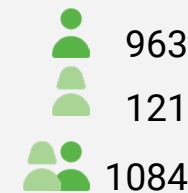
OTHER STAFF



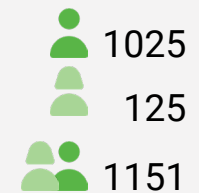
MVR 50,099,474.4



MVR 54,915,966.56



MVR 55,665,214.42



MVR 56,357,482.26

Operational Performance

Trainings

	July	August	September
Overseas	1,309,486	82,355	101,344
Local	143,852	3,322	3,322
Seminar & Workshop	–	60,690	167,647
	1,453,338	146,368	272,314

Figures in MVR

Training cost for Q3 2024	MVR 1,872,019
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Customer Service Enhancements;

Successfully completed in-house training for customer service staff to improve services.

Operational Performance

CSR Highlights

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

Quarter

3

In Quarter 3, MWSC supported community development by providing infrastructure assistance, sponsoring sports events, and contributing to educational and social programs. The company also engaged in public health initiatives, reflecting its commitment to promoting well-being and development throughout the Maldives and fostering stronger community ties

MVR 481,156

Clubs, NGOs, Govt
Institutions and
Schools



Notable Events

This section highlights key service improvements, project completions, and community engagement activities undertaken in Quarter 2. These events underscore the company's commitment to enhancing service delivery, advancing infrastructure projects, and fostering meaningful connections with the communities it serves.



INSTALLATION OF 10,000m³ TANK AT HULHUMALÉ
 تدشين 10 آلاف متر مكعب من خزان مياه في هُلْهُمَالَة

PROJECT BUDGET:
MVR 34,747,571.20

DATE OF COMMENCEMENT:
03RD SEPTEMBER 2024

COMPLETION DATE:
28TH FEBRUARY 2025

WORKS UNDERTAKEN BY:
ENGINEERING DEPARTMENT, MWSC

**Officials the installation of a
-10,000cbm water storage tank in
Hulhumalé**

The installation of a 10,000-cbm water storage tank in Hulhumalé represents a significant milestone in MWSC's commitment to providing a sustainable and reliable supply of clean drinking water for the growing population. An officiation event was held to celebrate this achievement.

Once completed, the new tank will expand Hulhumalé's total water storage capacity to 22,600 CBM, ensuring an uninterrupted supply of clean drinking water to the community.

Notable Events



Commencement of Conduit Pipe Manufacturing

On August 28, 2024, MWSC officially launched its conduit pipe manufacturing process at the MWSC Pipe Factory in Gulhifalhu.

These locally produced pipes are crafted to meet the highest international standards, aiming to enhance the company's offerings and stimulate demand among the general public.



MOU for Advancing Subsea Desalination Research

MWSC has signed a Memorandum of Understanding (MOU) with FLOCEAN, a Nordic company, to initiate research and feasibility studies on subsea desalination technology.

This innovative approach aims to enhance the availability of clean water in the Maldives by leveraging natural ocean pressure.

Notable Events



Staff Trainings



Team Building Events



Club Maldives 2024

Operational Performance

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 ✓ 100%



Sh.Goidhoo 93.57%



N.Maafaru ✓ 100%



Ha.Maarandhoo 93.96%



Ha.Thakandhoo 96.26%



Ha.Vashafaru 89.59%



Aa.Himandhoo ✓ 100%



Lh.Olhuvelifushi 92.87%



Hdh.Hirimaradhoo ✓ 100%



Adh.Kunburudhoo 64.07%



B.Kendhoo (Design & Build) 64.30%



B.Dharavandhoo (Design & Build) 86.81%



Gdh.Vaadhoo (Design & Build) 62.11%



Gdh.Fiyori (Design & Build) 79.05%



Lh. Naifaru sewerage network and house connection (Outstanding Work) ✓ 100%



Hulhumale' Phase-II
Fire Hydrant Systems 44.08%



Hulhumale' Phase-I Design & Supervision consultancy for fire hydrant network ✓ 100%



Addu City Upgrading of existing water supply facility 2.27%



✓ Completed

Compliance to Corporate Governance

As a State-Owned Enterprise, the Male' Water & Sewerage Company 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.





QUARTERLY REPORT 2024

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