



# Terhathum Power Company Limited

KMC Ward No 9, Battisputali, Kathmandu  
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## UNAUDITED FINANCIAL RESULTS Statement Of Financial Position

Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Quarter Ending
	31 Ashoj 2082	32 Ashadh 2082	30 Ashoj 2081
<b>Assets</b>			
<b>Non current Assets</b>			
Property Plant and Equipment	2,143,550	2,294,923	2,499,295
Intangible Assets	1,073,745,259	1,084,767,302	1,117,818,179
Intangible Assets Under Development	-	-	30,523,005
Investment	4,750,000	4,750,000	
Other Non Current Assets			
<b>Total Non Current Assets</b>	<b>1,080,638,809</b>	<b>1,091,812,225</b>	<b>1,150,840,479</b>
<b>Current Assets</b>			
Trade & Other Receivables	53,321,099	28,568,496	54,444,012
Cash and Cash Equivalent	27,817,144	11,013,976	1,051,047
Other Current Assets	52,043,441	52,497,663	26,366,680
<b>Total Current Assets</b>	<b>133,181,683</b>	<b>92,080,136</b>	<b>81,861,738</b>
<b>Total Assets</b>	<b>1,213,820,492</b>	<b>1,183,892,362</b>	<b>1,232,702,218</b>
<b>Equity and Liability</b>			
<b>Equity</b>			
Share Capital	800,000,000	400,000,000	400,000,000
Reserve and Surplus	(3,103,665)	(154,110,479)	(130,431,166)
<b>Total Equity</b>	<b>796,896,335</b>	<b>245,889,521</b>	<b>269,568,834</b>
<b>Liability</b>			
<b>Non Current Liabilities</b>			
Loans and Borrowings (Long Terms)	365,239,529	882,865,356	905,083,641
<b>Total Non Current Liabilities</b>	<b>365,239,529</b>	<b>882,865,356</b>	<b>905,083,641</b>
Current Portion of Long Terms Borrowing	42,221,410	42,286,851	42,237,052
Short Term Loan & Borrowing	-		-
Trade and other Payables	9,463,218	8,911,098	11,849,170
Other Current Liabilities	-	3,939,536	3,963,521
<b>Total Current Liabilities</b>	<b>51,684,628</b>	<b>55,137,485</b>	<b>58,049,743</b>
<b>Total Liability</b>	<b>416,924,157</b>	<b>938,002,841</b>	<b>963,133,384</b>
<b>Total Equity and Liability</b>	<b>1,213,820,492</b>	<b>1,183,892,362</b>	<b>1,232,702,218</b>

## Statement of Profit or Loss

Particulars	Upto this Quarter Ending	Upto previous Quarter Ending	Upto Corresponding previous Quarter Ending
<b>Revenue from operation</b>	<b>82,307,757</b>	<b>154,946,065</b>	<b>82,717,170</b>
Cost of Sales	14,589,246	54,608,936	14,440,169
<b>Gross Profit</b>	<b>67,718,511</b>	<b>100,337,130</b>	<b>68,277,001</b>
Other Income		340,000	
Administrative Expenses	1,003,907	4,498,982	794,938
Depreciation and Amortization Expenses	158,154	682,114	158,757
<b>Profit From Operations</b>	<b>66,556,450</b>	<b>95,496,034</b>	<b>67,323,306</b>
Finance Cost	10,308,776	72,493,034	21,290,259
<b>Profit Before Tax</b>	<b>56,247,674</b>	<b>23,002,999</b>	<b>46,033,046</b>
Income Tax Expenses			
<b>Profit from Continuous Operations</b>	<b>56,247,674</b>	<b>23,002,999</b>	<b>46,033,046</b>
Profit/(Loss) on Discontinue Operation (Net of Tax)			
<b>Net Profit for the Period</b>	<b>56,247,674</b>	<b>23,002,999</b>	<b>46,033,046</b>
Earning Per Share Annualized	28.12	5.75	46.03
Market Value Per Share	280.90	385.89	489.90
Price Earning Ratio	9.99	67.10	10.64
Current Ratio	2.58	1.67	1.41
Net Worth Per Share	99.61	61.47	67.39

### Notes:

- The above mentioned figures are subject to change during statutory audit of the books of accounts
- Previous period figures have been reclassified/adjusted wherever considered necessary

## First quarter disclosure as of 31 Ashoj 2082 As per Securities Registration and Issue Regulations, 2073

### 1. Financial Statements

- The unaudited financial statements for the First quarter and the financial ratios have been published along with this report

### 2. Management Analysis

- The company has successfully commenced the commercial operation of 7.5 MW Upper Khorunga Khola Small Hydropower Project. After completion of transmission line the company was able to sale its produced energy to NEA in Take and Pay Basis effective from 10 Bhadra 2078. After full completion of the transmission line company would be able to sale the energy on Take or Pay basis.
- Increase in flow of water along with increase in energy production is increasing the company performance compared to previous quarter.
- Till quarter end no other incident or situation has been seen adversely affecting the financial affairs of the company
- During the quarter, the company completed a rights issue in the ratio of 1:1. The unsubscribed shares were sold through an auction at a premium, generating premium amount of Rs. 97.63 million. The significant reduction in the negative accumulated reserve was primarily due to the share premium and the profit earned during the quarter.
- The proceeds from the rights issue were utilized to repay long-term borrowings from the bank, resulting in a significant decrease under the head of long-term loans and borrowings.
- The company established a subsidiary, K. T. K. Hydropower Pvt. Ltd., to develop the Khorunga Tangmaya 2 MW Cascade Project. All project development costs incurred by the company up to the date of the subsidiary's formation were transferred to the subsidiary.

### 3. Legal Proceedings

- Case filed or filed against the company during the quarter, if any- None
- Case filed or filed against the company or its promoter or director for violation of prevailing law or commission of criminal offence, if any- None
- Case relating to commission of financial crime against any director or promoter- None

### 4. Analysis of Share Transactions

- Shares of the company were actively traded during the quarter
- Major highlights of share transaction during the quarter are as follows: Maximum Price- Rs 431.5 Minimum Price- Rs 270.2 Closing Price- Rs 280.9 Transactions Days 51 No of Transactions-8,505 Total Traded Volume-1,437,644 Total Turnover-532,906,360

### 5. Problems and Challenges

#### Internal Risk

- Managing operational efficiency
- Regular or post operation maintenace due to geographical location

#### External Risk

- Fluctuation of financing cost
- Delay of statutory approvals for the new project
- Insufficient rainfall and prolonged dry periods can reduce river levels, directly impacting power generation.

### 6. Corporate Governance

- Board of Directors and Team management are committed to strengthen the corporate govrnance within the company

### 7. Declaration

I the managing Director of the Company, hereby individually accept responsibility for the accuracy of the information and details contained in this report. Also hereby declare that to the best of my knowledge and belief, the information contained in this report is true, accurate and complete and there are no other matters concealed the omission of which shall adversely affect the informed investment decision by the investors.