Terhathum Power Company Limited

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UNAUDITED FINANCIAL RESULTS

Statement Of Financial Position

Figure in NPR

Particulars	This Quarter Ending 32 Ashadh 2083	Previous Quarter Ending 30 Chaitra 2082	Corresponding Previous Quarter Ending 32 Ashadh 2082
Assets			
Non current Assets			
Property Plant and Equipment	1,737,381	1,941,254	2,294,923
Intangible Assets	1,040,699,466	1,051,716,427	1,084,767,302
Intangible Assets Under Development	-	-	-
Investment	34,750,000	24,750,000	4,750,000
Other Non Current Assets			
Total Non Current Assets	**1,077,186,847**	**1,078,407,680**	**1,091,812,225**
Current Assets			
Trade & Other Receivables	41,680,444	10,761,855	28,568,496
Cash and Cash Equivalent	13,199,351	60,817,108	11,013,976
Other Current Assets	43,937,710	48,526,635	52,497,663
Total Current Assets	**98,817,506**	**120,105,598**	**92,080,136**
Total Assets	**1,176,004,354**	**1,198,513,278**	**1,183,892,362**
Equity and Liability			
Equity			
Share Capital	800,000,000	800,000,000	400,000,000
Reserve and Surplus	29,094,414	3,596,634	(154,110,479)
Total Equity	**829,094,414**	**803,596,634**	**245,889,521**
Liability			
Non Current Liabilities			
Loans and Borrowings (Long Terms)	292,910,798	344,120,399	882,865,356
Total Non Current Liabilities	**292,910,798**	**344,120,399**	**882,865,356**
Current Portion of Long Terms Borrowing	42,322,853	42,221,410	42,286,851
Short Term Loan & Borrowing			
Trade and other Payables	11,676,290	8,574,835	12,850,634
Other Current Liabilities			
Total Current Liabilities	**53,999,143**	**50,796,245**	**55,137,485**
Total Liability	**346,909,941**	**394,916,644**	**938,002,841**
Total Equity and Liability	**1,176,004,354**	**1,198,513,278**	**1,183,892,362**

Statement of Profit or Loss

Particulars	Upto this Quarter Ending	Upto previous Quarter Ending	Upto Corresponding Previous Quarter Ending
Revenue from operation	**182,612,260**	**130,443,860**	**154,946,065**
Cost of Sales	58,008,102	41,066,283	54,608,936
Gross Profit	**124,604,158**	**89,377,576**	**100,337,130**
Other Income			340,000
Administrative Expenses	7,091,212	3,635,614	4,498,982
Depreciation and Amortization Expenses	642,487	470,375	682,114
Profit From Operations	**116,870,459**	**85,271,588**	**95,496,034**
Finance Cost	27,531,315	22,323,615	72,493,034
Profit Before Tax	**89,339,144**	**62,947,973**	**23,002,999**
Income Tax Expenses			
Profit from Continuous Operations	**89,339,144**	**62,947,973**	**23,002,999**
Profit/(Loss) on Discontinue Operation (Netof Tax)			
Net Profit for the Period	**89,339,144**	**62,947,973**	**23,002,999**
Earning Per Share Annualized	11.17	10.49	5.75
Market Value Per Share	349	390	386
Price Earning Ratio	31.25	37.17	67.10
Current Ratio	1.83	2.36	1.67
Net Worth Per Share	103.64	100.45	61.47

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

Fourth quarter disclosure as of 32 Ashadh 2083 As per Securities Registration and Issue Regulations, 2073

1. **Financial Statements**
   The unaudited financial statements for the Fourth quarter and the financial ratios have been published along with this report.
2. **Management Analysis**
   - The company successfully commenced the commercial operation of 7.5 MW Upper Khorunga Khola Small Hydropower Project on 17 Falgun 2076 and has been selling electricity to the Nepal Electricity Aurthority (NEA) under a Take and Pay arrangemnet. Upon fulfillment of the conditions specified by the NEA, the company wil become eligible to sell electricity under a Take or Pay arrangement. -Till quarter end no other incident or situation has been seen adversely affecting the financial affairs of the company.
   - During the financial year, 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 compared to corresponding previous quarter ending was primarily due to the share premium and the profit earned upto the quarter ending.
   - 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	Minimum Price	Closing Price	Transactions Days	No of Transactions	Total Traded Volume	Total Turnover
Rs 402	Rs 341	Rs 349	64	7,229	1,495,754	555,919,100

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 on 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 ommission of which shall adversely affect the informed investment decision by the investors.