

## Unaudited Financial Reports (Quarterly)

As at 3rd Quarter (2080.12.30) of the Fiscal Year 2080/81

Particulars	This Quarter Ending as on 30.12.2080	Previous Quarter Ending as on 30.09.2080	Corresponding Previous Year Quarter Ending as on 30.12.2079
<b>Assets</b>			
Non Current Assets			
Intangible Assets	2,640,829,896	2,668,751,828	2,745,031,939
Property Plant & Equipment-Other	2,280,389	2,202,328	1,640,637
	<b>2,643,110,285</b>	<b>2,670,954,155</b>	<b>2,746,672,576</b>
<b>Current Assets</b>			
Commercial & Other Receivables	29,938,329	45,167,612	32,154,743
Cash & Bank	4,430,007	15,753,542	6,553,361
Advance & Deposits	10,719,027	6,080,188	11,778,069
Inventory	25,721,170	25,628,899	23,455,782
	<b>70,808,534</b>	<b>92,630,242</b>	<b>73,941,954</b>
<b>Total Assets</b>	<b>2,713,918,819</b>	<b>2,763,584,397</b>	<b>2,820,614,530</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
Share Capital	1,100,000,000	1,100,000,000	1,100,000,000
Reserve & Surplus	(164,737,399)	(131,683,160)	(162,237,071)
	<b>935,262,601</b>	<b>968,316,840</b>	<b>937,762,929</b>
<b>Other Funds &amp; Liabilities</b>			
Deferred Income	20,562,669	20,939,882	22,071,523
Secured Loan	1,311,214,006	1,339,191,904	1,427,329,891
Unsecured Loan	363,500,000	363,500,000	363,500,000
	<b>1,695,276,675</b>	<b>1,723,631,786</b>	<b>1,812,901,414</b>
<b>Current Liabilities &amp; Provisions</b>			
Commercial & Other Payables	77,095,207	71,447,165	39,321,970
Short Term Loan	6,001,426		30,345,307
Provisions	282,910	188,607	282,910
	<b>83,379,543</b>	<b>71,635,771</b>	<b>69,950,187</b>
<b>Total Liabilities</b>	<b>2,713,918,819</b>	<b>2,763,584,397</b>	<b>2,820,614,530</b>
<b>Particulars</b>	<b>This Quarter Ending Chaitra End 2080</b>	<b>Previous Quarter Ending Poush End 2080</b>	<b>Corresponding Previous Year Quarter Ending Chaitra End 2079</b>
<b>Operating Income</b>			
Electricity Sale to NEA -UMHEP	179,010,966	152,317,235	180,583,654
Electricity Sale to NEA -UMCHEP	113,053,740	91,820,984	118,042,070
<b>Total Operating Income</b>	<b>292,064,706</b>	<b>244,138,219</b>	<b>298,625,725</b>
<b>Operating Expenses</b>			
Power Plant Expenses - UMHEP	20,414,836	15,310,861	22,732,344
Power Plant Expenses - UMCHEP	14,774,411	12,381,294	14,238,616
<b>Total Operating Expenses</b>	<b>35,189,247</b>	<b>27,692,155</b>	<b>36,970,961</b>
<b>Gross Operating Profit</b>	<b>256,875,459</b>	<b>216,446,063</b>	<b>261,654,764</b>
<b>Administrative and Other Expenses</b>			
Employee Expenses	3,253,825	2,258,425	3,350,809
Administrative Expenses	3,179,028	2,332,478	3,145,052
Interest on Loan	145,728,445	101,891,180	156,687,986
Depreciation	84,261,986	56,174,657	87,805,883
<b>Total Administrative &amp; Other Expenses</b>	<b>236,423,283</b>	<b>162,656,739</b>	<b>250,989,729</b>
<b>Income from Other Sources</b>			
Other Income	1,131,641	754,427	1,131,641
<b>Total Income From Other Sources</b>	<b>1,131,641</b>	<b>754,427</b>	<b>1,131,641</b>
<b>Profit (Loss) before Employees Bonus and Tax</b>	<b>21,583,816</b>	<b>54,543,751</b>	<b>11,796,675</b>
Provision for Employee's Bonus	-	-	-
Provision for Corporate Tax	282,910	188,607	282,910
<b>Net Profit (Loss) after Tax</b>	<b>21,300,906</b>	<b>54,355,144</b>	<b>11,513,765</b>
Profit brought forward from last Year	(186,038,304)	(186,038,304)	(173,750,836)
<b>Balance Transferred to Balance Sheet</b>	<b>(164,737,399)</b>	<b>(131,683,160)</b>	<b>(162,237,071)</b>

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

### THIRD QUARTER DISCLOSURE AS OF 2080.12.30 AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION ANNEXURE-14 (RELATED TO SUB REGULATION 2 OF REGULATION 22)

#### 1. Financial Statements

- The unaudited financial statements for third quarter have been published along with this report.
- Pursuant to Life of the Project, the company has deducted depreciation on Upper Mai HEP at 3.44% and Upper Mai Cascade at 3.33% so that all the investment made on electricity generation, transmission or distribution is paid back in average of 30 Years. In case of Other Fixed Assets, depreciation has been calculated based on Written-down Value as per the Provision of the Income Tax Act, 2058.
- Income tax provision on deferred income (income from transmission line sharing) has been accounted @ 25%.
- Major Financial Highlights**

Earnings Per Share (EPS) Annualized	2.58	Net-worth Per Share	85.02
Current Ratio	0.16	Market Value Per Share	235

#### Management Analysis

- Upper Mai and Upper Mai Cascade plants are evacuating its power on the basis of dispatch availability.
- Revenue from sales of electricity has decreased by 2.20% due to decreasing water discharge and total operating expenses decreased by 4.82% compared to corresponding previous year quarter ending.
- Employee expenses has decreased by 2.89% and administrative expenses increased by 1.08% compared to corresponding previous year quarter ending.
- Interest expenses has decreased by 6.99% compared to corresponding previous year quarter ending.

#### 2. Legal Proceedings

- During the period there were no legal cases against the Company and from the company.

#### 3. Analysis of Company's Share Transaction

- PMHPL shares were actively traded during second quarter.
- The major highlights of share transactions during the quarter are as follows:

Maximum Price NPR.	279.9	Minimum Price NPR.	234.9	Closing Price NPR	235
No. of Transaction Day	58	Total Traded Volume	11,15,030	Turnover NPR.	29,30,81,529

#### 4. Problems & Challenges

##### Internal Risk

- Retention of skilled human resources.
- To maintain the operational efficiency.
- To manage the fund for bank installment during dry season.

##### External Risk

- Lack of political commitment in development of hydroelectric projects.
- Fluctuation of water flow.
- Possibility of flood in monsoon season in the rivers at power-plant locations.
- Loss due to natural disaster – Earthquake, Landslide etc.

#### 5. Corporate Governance

Board of Directors, Audit Committee, other Committees and Management Team are committed for strengthening good corporate governance within the company. The company has written manuals, policies, rules & regulations for proper functioning the company.

#### 6. Declaration

I the Director of this Company, take the responsibility of accuracy of the information and details mentioned in this report for the period up to third quarter of F.Y 2080/81, hereby declare that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge