



Sanima Middle Tamor Hydropower Limited

Dhumbarahi, KMC-4, Kathmandu, Nepal

Unaudited Financial Reports (Quarterly)

As on 3rd Quarter (2079.12.30) of the Fiscal Year 2079/080

THIRD QUARTER DISCLOSURE AS OF 2079.12.30 AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION ANNEXURE-14 (RELATED TO SUB REGULATION 1 OF REGULATION 26)

Statement of Financial Position	Un-Audited This Quarter Ending	Un-Audited Previous Quarter Ending	Un-Audited Corresponding Previous Year Quarter Ending
	As on 30-12-2079	As on 30-09-2079	As on 30-12-2078
Assets			
Non-Current Assets			
Property Plant & Equipment	57,883,151	60,587,890	62,699,482
Intangible Assets	8,960,005,851	8,157,075,872	5,529,821,330
Deferred Tax Assets	670,290	670,290	-
Current Assets			
Cash and cash equivalents	670,382,604	98,504,922	128,727,587
Other Financial Assets	682,144,587	509,645,908	1,013,645,847
Other Current Assets	32,551,675	38,167,140	4,540,223
Current tax assets	2,899,443	2,632,211	2,463,213
Total Assets	10,406,537,601	8,867,284,233	6,741,897,682
Liabilities			
Non-Current Liabilities			
Borrowings	6,306,621,491	5,642,789,658	3,707,323,929
Other Financial Liabilities	709,090,392	605,330,511	359,840,930
Provisions	1,193,153	1,293,155	998,309
Deferred Tax Liabilities	-	-	897,593
Other Non-Current Liabilities			10,087,316
Current Liabilities			
Current Borrowings	-	30,000,000	47,970,327
Other Financial Liabilities	153,441,130	168,801,928	285,526,303
Other Current Liabilities	2,605,492	2,346,812	3,396,113
Total Liabilities	7,172,951,659	6,450,562,063	4,416,040,820
Equity			
Share Capital	3,332,500,000	2,499,375,000	2,332,750,000
Less Calls In Arrears	(3,000)		
Net Share Capital	3,332,497,000	2,499,375,000	2,332,750,000
Retained Earnings	(99,476,596)	(83,218,369)	(7,424,003)
Other Reserves	565,538	565,538	530,865
Total Equity	3,233,585,942	2,416,722,170	2,325,856,862
Total Liabilities and Equity	10,406,537,601	8,867,284,233	6,741,897,682
Statement of Profit or Loss	Un-Audited This Quarter Ending	Un-Audited Previous Quarter Ending	Un-Audited Corresponding Previous Year Quarter Ending
	Chaitra 2079	Poush 2079	Chaitra 2078
Revenue (Construction)	2,552,992,981	1,750,059,046	1,015,847,763
Cost of Sales (Construction)	(2,552,992,981)	(1,750,059,046)	(1,015,847,763)
Revenue From Sale of Electricity	-	-	-
Plant operating expenses	-	-	-
Gross profit	-	-	-
Other Income	366,165	153,729	-
Administrative and Other operating expenses	41,996,308	22,630,277	18,001,615
Net operating profit/(Loss)	(41,630,143)	(22,476,548)	(18,001,615)
Financial costs	-	-	-
Financial income	2,744,076	962,530	55,984
Foreign exchange gain/(loss)	(20,835,736)	(21,949,557)	-
Profit/(Loss) before tax & bonus	(59,721,803)	(43,463,575)	(17,945,631)
Provision for Staff Bonus	-	-	-
Profit/(Loss) before tax	(59,721,803)	(43,463,575)	(17,945,631)
Income Tax Expense	-	-	-
Deferred Tax Income/(Expense)	-	-	-
Net Profit	(59,721,803)	(43,463,575)	(17,945,631)
Major Financial Highlights			
Earnings Per Share (EPS)	-2.32	-1.74	-0.77
Current Ratio	8.89	3.23	3.41
Net worth Per Share	97.03	96.69	99.70
Return on Assets (ROA)	-0.57%	-0.49%	-0.27%
Market Value Per Share	321	-	-
P/E Ratio	-138.126	-	-

Financial Statements

- The Unaudited financial statement for the third quarter have been published as a part of this report.
- The Quarterly Construction Revenue and Construction Cost as per IFRIC-12 is NPR 2,552,992,981/-
- Service concession arrangement of Sanima Middle Tamor Hydropower Limited (SMTHL) includes Project Work in Progress of Middle Tamor Hydropower Project (73 MW). Service Concession arrangements are amortized over the contractual period of 30 years from the commercial operation date or as per the term of Generation License of SMTHL, whichever is lower. As per Generation License, the life of Middle Tamor Hydropower Project is up to 2110/02/21 B.S. The total Intangible Assets (Service Concession Arrangements) as on Chaitra End 2079 is NPR. 8,960,005,851/-
- The Middle Tamor Hydropower Project is under Construction and total physical progress till Chaitra End 2079 is about 85%.

Management Analysis

- The Company has incurred NPR. 41,996,308/- as administrative and other operating expenses till Chaitra 2079.
- The Company has earned other income NPR 366,165/- from insurance claim receipts and NPR 2,744,076/- as financial income.

Legal Proceedings

- During the period, no legal cases were raised or pending against the Company and from the Company.
- Analysis of Company's Share Transaction
- The major highlights of Share transactions during the quarter are as follows:

Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
Maximum price NPR.	338.1		-
Minimum price NPR.	295		-
Closing price NPR.	321		-
Total Turnover NPR.	159,392,345.40		-
Total Transactions	33,031		-
No. of transaction Day	4		-
Total traded volume	496,534		-

Problems & Challenges

Internal Challenges

- Retention of skilled human resources.
- Maintaining operational efficiency.

External Challenges

- Delay of statutory approvals, inconsistent regulatory and policy level commitment from the government regulatory agencies in the development of hydroelectric projects.
- Fluctuating cost of capital and devaluation of local currency.
- Increasing trend of interest rate.
- Natural disaster such as flood, earthquake, landslides, etc.
- Lack of domestic suppliers for construction materials, equipment and spare parts and difficulties in logistics management.
- Climatic changes and hydrological risk.
- Pandemics such as Covid-19, dengue, etc.

Strategies

- Implementation of HR optimization plan.
- Lobbying with government agencies for investment friendly environment.
- Fund management and strategic investment, as per the project investment plan.
- Adequate insurance policies, against the loss due to natural disasters.
- Maintenance of required equipment and machineries, and arrangement of smooth supply of spare parts.

Corporate Governance

The Board of Directors, Audit Committee, other Committees, and Management Team are committed to strengthening good corporate governance within the Company. Sanima Middle Tamor Hydropower Ltd. has written manuals, policies, rules & guidelines for the proper functioning of the operation of the Company.

Declaration

I, the Chief Executive Officer of this Company, take the responsibility for the accuracy of the information and details mentioned in this report for the period up to the Third quarter of FY 2079/080. I hereby declare that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge and that any information necessary for taking informed decision by the investors are not concealed.

Please contact at 01-4372828/4373030 for any further inquiry about the Company.