



नेपाल हाइड्रो डेभलपर लिमिटेड

Nepal Hydro Developer Limited

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UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND QUARTER, F/Y-2074-75 ENDED ON POUISH 30, 2074 (JANUARY 14, 2018)

Amounts in Thousand unless specified

Particulars	Unaudited This Quarter Ending	Unaudited This Previous Quarter Ending	Corresponding Previous Year Quarter Ending
Property, Plant & Equipments -Net Block	555837	562817	583912
Total Current Assets	97205	99023	83976
Total Assets	653,042	661,840	667,888
Share Capital	260,000	260,000	195,000
Reserve & Surplus	13,685	3,789	1,004
Long Term Loans	351,245	351,247	393,667
Total Current Liability	28,112	46,803	78,218
Total Equity & Liabilities	653,042	661,840	667,888
Profit & Loss Account	Unaudited This Quarter Ending	Unaudited This Previous Quarter Ending	Corresponding Previous Year Quarter Ending
Power Sales	67,735	37,286	68,082
Less: Cost of Sales	7,060	5,480	10,789.69
Gross Profit / (Loss)	60,675	31,806	57,292
Less: Administrative, Selling & Distribution Expenses	2,872	833	1,695
Operating Profit / (Loss)	57,803	30,972	55,597
Less: Financial Cost	21,374	11,517	19,259
Depreciation	13,960	6,980	14,093
Profit / (Loss) Before Bonus & Tax	22,469	12,475	22,245
Less: Provision for Bonus	220	122	218
Tax Expenses	-	-	-
Net Profit / (Loss) Transferred to Balance Sheet	22,249	12,353	22,027
Ratios	Unaudited This Quarter Ending	Unaudited This Previous Quarter Ending	Corresponding Previous Year Quarter Ending
Earning per Share (in Rs)	8.56	5.37	11.30
Market Value per share (in Rs)	222.00	-	-
Price Earning Ratio	25.94	-	-
Current Ratio	3.46	2.12	1.07
Return on Assets	3.41%	1.87%	3.30%
Net worth per share (in Rs)	105.26	101.46	100.51

SECOND QUARTER DISCLOSURE AS OF 14TH January, 2018 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 the second quarter and financial ratios have been published along with this report.
- Transaction with related parties - N/A.
- Important Financial Ratios: As attached in the unaudited financial statement.

2) MANAGEMENT ANALYSIS

- The gross profit increased by 4% during second quarter of this year as compared to the corresponding period of last year's figure which is mainly due to minimization of cost.
- Total Current assets increased by 15% and total current liability decreased by 64% as compared to corresponding period of previous year.

3) LEGAL PROCEEDINGS

- Case filed by or against the company during the quarter, if any : N/A
- Case filed by or against the company or its promoter or Director for violation of the prevailing regulation or committing the criminal offence, if any: N/A
- Case filed against the Promoter or Director on financial crime, if any: N/A

4) ANALYSIS OF SHARE TRANSACTION OF THE COMPANY

- The shares of Nepal Hydro Developer Ltd listed in NEPSE on 6th November, 2017 and transacted from 14th November, 2017.
- The major highlights of share transactions during the quarter are as follows:
Maximum Price - NPR 328/-, Minimum Price - NPR 200/-, Closing Price- NPR 222/-, No of Transaction Days -40, Total Transaction - 2535, Total Traded Volume - 50396 and Turnover - NPR -13,673,687/-

5) PROBLEMS AND CHALLENGES

Internal

- Retention of skilled manpower.

External

- Not providing difference amount of posted and normal rate by Nepal Electricity Authority due to which affected cash flow.
- Lack of political commitment in hydroelectric project development.
- Possibility of flood in monsoon season in rivers at power house area and disturbance in transmission line due to storm.

Strategies followed by the management

- Use of internal manpower and taking expert agency advice to minimize the issues.

6) Corporate Governance

- The regular meeting of Board of Directors, management and operation team are being conducted for strengthening good corporate governance within the company.

7) DECLARATION

I, the Chairman of the company, take the responsibility of accuracy of the information and details mentioned in this report for the period up to second quarter of Financial year 2074-75, hereby declare that the information and details provided in this report are true, based on the facts and complete to the best of my knowledge and that information necessary for taking informed decision by the investors are not concealed.