Regd. No. 161420/073/074

Balephi Hydropower Ltd.

Upper Balephi 'A' Hydropower Project (36MW)

Ref. No.:

च नं: १५३/०८२/०८३

मिति:२०८२/०७/३०

श्री नेपाल धितोपत्र बोर्ड,
खुमलटार, ललितपुर

विषयः आ.व. २०८२/०८३ को प्रथम त्रैमासिक वित्तिय विवरण सम्बन्धमा।

महोदय,

उपरोक्त सम्बन्धमा यस बलेफि हाइड्रोपावर लि. को आ.व. २०८२/०८३ को प्रथम त्रैमासिक वित्तिय विवरण यसै पत्रसाथ संलग्न गरेका छौं। सो वित्तिय विवरण आज मिति २०८२/०७/३० को " अभियान" पत्रिकामा प्रकाशित भएको व्यहोरा अनुरोध छ।

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अस्मिता अधिकारी

(कम्पनी सचिव)

वोधार्थः

१. श्री नेपाल स्टक एक्सचेन्ज लिमिटेड, सिंहदरवार, ललितपुर।
२. श्री सिडिएस एण्ड क्लियरिङ लिमिटेड, पुतलिसडक, काठमाडौं।
३. श्री हिमालयन इन्भेष्टमेन्ट बैंकर लिमिटेड (शेयर रजिष्ट्रार), नयाँ बानेश्वर, काठमाडौं।

Balephi Hydropower Ltd.

Durbarmarg-1, Kathmandu

Unaudited Financial Statement for the 1st Quarter

on Ashwin 31, 2082 (17 October, 2025)

Amount in NRs.

Statement of Financial Position	As at Ashwin 31, 2082 (Current Quarter)	As at Ashad 32, 2082 (Previous Quarter)	As at Ashwin 31, 2081 (Previous year)
ASSETS			
Non-Current Assets			
Property, Plant & Equipment,(Net)	14,445,366	12,574,787	7,381,890
Intangible Assets (Hydropower Project Assets)	7,866,591,271	7,913,467,029	8,233,434,115
Intangible Assets under Development	381,767,209	399,107,777	-
Total Non-Current Assets	**8,262,803,846**	**8,325,149,593**	**8,240,816,005**
Current Assets			
Cash & Cash Equivalents	30,049,030	2,303,618	1,782,960.00
Trade Receivables	227,907,969	177,659,628	165,017,499
Advances & Deposits	136,274,633	150,549,024	54,160,752
Total Current Assets	**394,231,632**	**330,512,270**	**220,961,211**
Total Assets	**8,657,035,479**	**8,655,661,863**	**8,461,777,216**
Equity & Liabilities			
Equity			
Share Capital	3,655,940,000	3,655,940,000	1,827,970,000
Reserve & Surplus	(803,747,212)	(928,222,570)	(912,261,084)
Total Equity	**2,852,192,788**	**2,727,717,430**	**915,708,916**
Non Current Liabilities			
Long Term Borrowings	5,601,973,500	5,601,973,500	6,672,307,752
Other Non-current Liabilities	158,112,042	155,604,765	506,446,860
Total Non Current Liabilities	**5,760,085,542**	**5,757,578,265**	**7,178,754,612**
Current Liabilities			
Sundry Creditors	10,258,696	73,475,992	12,027,452
Short Term Borrowings	34,220,188	93,991,531	245,509,214
Other Payables	278,265	2,898,645	109,777,022
Total Current Liabilities	**44,757,149**	**170,366,167**	**367,313,688**
Total Equity & Liabilities	**8,657,035,479**	**8,655,661,863**	**8,461,777,216**

Income Statement for the Period ended 31 Ashwin, 2082 (17 October, 2025)

Particulars	As at Ashwin 31, 2082 (Current Quarter)	As at Ashad 32, 2082 (Previous Quarter)	As at Ashwin 31, 2081 (Previous Year)
Revenue From Power Sales	347,858,379	829,066,209	238,578,664
Cost of Sales	(23,867,288)	(228,645,254)	(40,731,672)
Gross Profit	**323,991,091**	**600,420,955**	**197,846,992**
Other Income	33,185,749	1,396,434	-
Administrative Expenses	(13,685,358)	(62,065,878)	(964,238)
Repair & Maintanance	-	-	(9,420,097)
Profit Before Interest & Depreciation	**343,491,483**	**539,751,511**	**187,462,657**
Finance Cost	(119,105,825)	(565,298,717)	(159,526,262)
Depreciation and Amortisation	(78,533,585)	(319,208,236)	(84,771,110)
Profit / (Loss) Before Tax	**145,852,073**	**(344,755,443)**	**(56,834,715)**
Income Taxes	(21,376,715)	(49,244,047)	-
Profit / (Loss) After Tax	**124,475,358**	**(393,999,490)**	**(56,834,715)**

First Quarter Disclosure as of 31 Ashwin 2082 (17 October 2025) as per securities registration and issuance regulation Annexure-14 (related to Sub regulation I of Regulation 26)

1. Financial Statement

- The financial statement for the first quarter has been published as a part of this report.
- Annualized earning per share for current year is 13.62, P/E ratio 12.89, net worth per share is 78.02 and total assets per share is 236.79.
- Previous quarter figures has been changed and re-grouped to reflect the changes made by the audited financials of FY ending on 2081.82.

2. Management Analysis

Any change in the stock, income and liquidity during the quarter and reason for change, if any:

- During this quarter, the Company generated revenue amounting to NPR 34,78,58,378.56. In addition, the Company received a refund of penalty pertaining to Shrawan and Ashwin 2081 totaling NPR 3,31,85,749.15, which has been recorded under Other Income.
- Sufficient stock levels are maintained to support the normal and efficient operation of the plant, and there are no exceptional changes.

Management analysis on upcoming business plan:

- The Company has proposed investments in new hydropower projects, for which the Board of Directors, in its meeting held on 5 August 2025, approved a 1:1 rights issue of shares to finance the investment.

Analytical statement on the possible effect on company's profitability, stock and cash flow based on past experiences:

- The Company has faced challenges in achieving its energy generation targets due to recurring damage to civil structures and electromechanical equipment, primarily caused by high floods and heavy sedimentation. To address this, comprehensive upgradation of both civil structures and electromechanical equipment is currently in progress. The related expenditures have been capitalized and reported under "Intangible Assets under Development" in the financial statements. Upon completion of these upgrades, the Company anticipates a significant improvement in energy generation, which is expected to enhance revenue and strengthen overall profitability.

3. Legal Processing

- During the quarter, Urja International Pvt. Ltd. initiated an arbitration case against the Company relating to a disputed amount concerning the construction of the 132 kV transmission line. The Company has been actively defending the case in accordance with the applicable legal procedures, and the matter is currently under arbitration.

4. Share Transaction of the Company

During the quarter share of the company has been actively traded under script name **"BHL"**. Share prices has been determined by the open market operation.

Maximum Price	Minimum Price	Closing Price	Transaction Days	Total Transaction	Turnover
229.00	164.00	175.50	51	16,879,848.00	3,492,216,699.10

5. Problems and Challenges

- **Internal Challenges**
  - Retention challenges and shortage of skilled human resources.
  - To maintain operational efficiency.
- **External Challenges**
  - Frequent erosion and structural damage caused by floods and high sediment loads.
  - Unavailability of domestic suppliers and vendors for hydropower equipment and spare parts.
  - Lengthy approval and clearance process involving multiple government agencies.
  - Increasing pressure from local communities with demands for employment, contracts, and CSR support.
  - Non-Dispatch instructions and forced outrage issued by NEA

6. Corporate Governance

The Board of Directors and the management team is determined to practice good corporate governance.

7. Declaration

I, the chairman of this company take responsibility for the accuracy of the information and details mentioned in this report for the period up to the fourth quarter of F.Y 2081/82. 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 the information necessary for taking informed decision by the investors are not concealed.