



BALEPHI
HYDROPOWER LTD.

Balephi Hydropower Ltd.

Durbarmarg-1, Kathmandu

Unaudited Financial Statement for the 3rd Quarter

on Chaitra 31, 2081 (13 April, 2025)

Amount in NRs.

Statement of Financial Position	As at 31 Chaitra 2081 (Current Quarter)	As at 29 Poush 2081 (Previous Quarter)	As at 30 Chaitra 2080 (Previous Year)
ASSETS			
Non-Current Assets			
Property, Plant & Equipment, (Net)	11,773,673	7,902,234	5,301,803
Intangible Assets (Hydropower Project Assets)	7,977,336,051	8,053,893,979	8,349,239,672
Intangible Assets under Development	181,573,376	-	-
Total Non-Current Assets	8,170,683,100	8,061,796,213	8,354,541,475
Current Assets			
Cash & Cash Equivalents	76,175,830	519,772,490	3,554,650
Trade Receivables	111,892,777	101,637,894	128,490,370
Advances & Deposits	212,315,365	457,765,926	49,587,068
Total Current Assets	400,383,972	1,079,176,310	181,632,088
Total Assets	8,571,067,072	9,140,972,524	8,536,173,563
Equity & Liabilities			
Equity			
Share Capital	3,655,940,000	3,476,074,400	1,827,970,000
Reserve & Surplus	(860,893,515)	(1,063,935,332)	(704,222,494)
Total Equity	2,795,046,485	2,412,139,068	1,123,747,506
Non Current Liabilities			
Long Term Borrowings	5,602,098,751	6,563,608,751	6,703,587,751
Other Non-Current Liabilities	150,609,080	131,473,457	306,446,860
Total Non Current Liabilities	5,752,707,831	6,695,082,208	7,010,034,611
Current Liabilities			
Sundry Creditors	19,174,650	18,165,310	6,697,050
Short Term Borrowings	3,750,962	14,316,990	279,152,302
Other Payables	387,144	1,268,948	116,542,094
Total Current Liabilities	23,312,756	33,751,248	402,391,446
Total Equity & Liabilities	8,571,067,072	9,140,972,524	8,536,173,563

Income Statement for the Period ended 31 Chaitra, 2081 (13 April, 2025)

Particulars	Upto 31 Chaitra 2081 (Current Quarter)	Upto 29 Poush 2081 (Previous Quarter)	Upto 30 Chaitra 2080 (Previous Year)
Revenue From Power Sales	596,002,791	397,398,419	699,048,641
Cost of Sales	(166,724,475)	(57,005,905)	(100,825,041)
Gross Profit	429,278,316	340,392,514	598,223,600
Other Income	1,128,061	348,610	-
Administration Expenses	(38,336,648)	(25,094,049)	(26,058,720)
Repair & Maintenance	-	-	(19,754,757)
Profit Before Interest & Depreciation	392,069,729	315,647,075	552,410,123
Finance Cost	(432,024,089)	(306,889,438)	(579,545,071)
Depreciation and Amortisation	(242,467,714)	(165,105,523)	(241,384,787)
Profit / (Loss) Before Tax	(282,422,074)	(156,347,886)	(268,519,735)
Income Taxes	(44,248,361)	(25,112,738)	-
Profit / (Loss) After Tax	(326,670,435)	(181,460,624)	(268,519,735)

Third Quarter Disclosure as of 31 Chaitra 2081 (13 April 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 Third quarter has been published as a part of this report.
- Hydropower project assets are amortized over the remaining contractual period as per the Power Purchase Agreement (PPA) of the company. As per Generation License, life of Upper Balephi- A (36 MW) Hydropower Project is up to 2108/04/11 (26.30 Years Remaining).
- Annualized earning per share for current year is -15.98, net worth per share is 76.45 and total assets per share is 234.44.
- Previous quarter figures have been changed and regrouped to reflect the changed made by the audited financials of FY ending on 2080.81.

2. Management Analysis

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

- Revenue generated up to the end of Chaitra totals NPR 59,60,02,791, net of a short-supply fine of NPR 3,73,29,968.91 imposed by NEA, which has been expensed on a prudent basis. The fine was charged due to the company's inability to meet the energy target because of circumstances beyond its control. An application for a refund of this fine has been submitted to NEA and is currently under review.
- Sufficient stock levels are maintained to support the normal and efficient operation of the plant, and there are no exceptional changes.
- Liquidity has been maintained sufficient for the day to day operation of the company.

Management analysis on upcoming business plan:

- Currently, the management does not intend to invest in other companies or projects.

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

- The company has been struggling to meet its energy target due to frequent damage to civil structures and electromechanical equipment caused by high floods and heavy sediment. Company has now commenced repairs and upgrades to both civil structures and electromechanical equipment which has been reported as Intangible Assets under Development under Assets in financial statements. Upon completion of these repairs and upgrades, the company expects to increase its delivered energy, thereby improving revenue and profitability.

3. Legal Processing

- During the period no legal cases were raised or pending against and by the company.

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
405.00	255.20	255.20	56	1,416,361	449,563,372.40

The company completed the allotment of 1,82,79,700 units of right shares on 28 Poush 2081 and 27 Falgun 2081. The company has collected premium of NRS 34,82,51,627.92 during auctioning of unsold right shares which has been reported under Reserve and Surplus in Financial Statement.

5. Problems and Challenges

- Internal Challenges**
 - Retention of skilled human resources.
 - To maintain operational efficiency.
- External Challenges**
 - Frequent changes in Interest Rate.
 - Loss due to a natural disaster-flood, earthquake, drought, force majeure issue, etc.
 - Lack of domestic suppliers and vendors for hydropower equipment and spare parts.

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 second quarter of FY 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.