



BALEPHI HYDROPOWER LTD.

Balephi Hydropower Ltd.

Durbar Marg-1, Kathmandu

Unaudited Financial Statement for the 4th Quarter

on Ashad 32, 2082 (16 July, 2025)

Amount in NRs.

Statement of Financial Position	As at Ashad 32, 2082 (Current Quarter)	As at Chaitra 31, 2081 (Previous Quarter)	As at Ashad 31, 2081 (Previous year)
ASSETS			
Non-Current Assets			
Property, Plant & Equipment,(Net)	12,574,787	11,773,673	5,013,141
Intangible Assets (Hydropower Project Assets)	7,913,467,029	7,977,336,051	8,187,753,784
Intangible Assets under Development	399,107,777	181,573,376	-
Total Non-Current Assets	8,325,149,593	8,170,683,100	8,192,766,924
Current Assets			
Cash & Cash Equivalents	2,303,618	76,175,830	357,065
Trade Receivables	177,659,628	111,892,777	147,375,519
Advances & Deposits	150,549,024	212,315,365	149,941,645
Total Current Assets	330,512,270	400,383,972	297,674,229
Total Assets	8,655,661,863	8,571,067,072	8,490,441,154
Equity & Liabilities			
Equity			
Share Capital	3,655,940,000	3,655,940,000	1,827,970,000
Reserve & Surplus	(928,222,570)	(860,893,515)	(882,474,708)
Total Equity	2,727,717,430	2,795,046,485	945,495,293
Non Current Liabilities			
Long Term Borrowings	5,601,973,500	5,602,098,751	6,649,704,751
Other Non-current Liabilities	155,604,765	150,609,080	106,360,719
Total Non Current Liabilities	5,757,578,265	5,752,707,831	6,756,065,470
Current Liabilities			
Sundry Creditors	73,475,992	19,174,650	12,742,013
Short Term Borrowings	93,991,531	3,750,962	772,386,526
Other Payables	2,898,645	387,144	3,751,853
Total Current Liabilities	170,366,168	23,312,756	788,880,392
Total Equity & Liabilities	8,655,661,863	8,571,067,072	8,490,441,154

Income Statement for the Period ended 32 Ashad, 2082 (16 July, 2025)

Particulars	As at Ashad 32, 2082 (Current Quarter)	As at Chaitra 31, 2081 (Previous Quarter)	As at Ashad 31, 2081 (Previous Year)
Revenue From Power Sales	829,066,209	596,002,791	843,929,224
Cost of Sales	(228,645,254)	(166,724,475)	(157,145,889)
Gross Profit	600,420,955	429,278,316	686,783,335
Other Income	1,396,434	1,128,061	886,131
Administrative Expenses	(62,065,878)	(38,336,648)	(46,141,694)
Profit Before Interest & Depreciation	539,751,511	392,069,729	641,527,772
Finance Cost	(565,298,717)	(432,024,089)	(762,958,962)
Depreciation and Amortisation	(319,208,236)	(242,467,714)	(304,827,122)
Profit / (Loss) Before Tax	(344,755,443)	(282,422,074)	(426,258,312)
Income Taxes	(49,244,047)	(44,248,361)	(21,759,446)
Profit / (Loss) After Tax	(393,999,490)	(326,670,435)	(448,017,758)

Fourth Quarter Disclosure as of 32 Ashad 2082 (16 July 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 fourth quarter has been published as a part of this report.
- Annualized earning per share for current year is -14.45, net worth per share is 74.61 and total assets per share is 236.76.
- Previous quarter figures has been changed and re-grouped to reflect the changes 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 during this year totals NPR 82,90,66,209 net of a short-supply fine of NPR 2,33,82,193 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.
- The Company downsized the project financing loan from the proceeds of the right share issue by approx NPR 96 crore on an ascending order of repayment, thereby eliminating repayment obligations for approximately two years and easing the Company's liquidity position. Nevertheless, the Company will make its best efforts to utilize excess funds available, after meeting operating expenses and interest payments, to further repay the loan. Additionally, the Company has also successfully negotiated with the Consortium of Banks to fix the interest rate at 8.4% for the next four years, replacing the existing arrangement of Base Rate plus 2% premium. Along with this, the loan agency fee has also been fixed in place of the existing percentage arrangement. Previously, the consortium was led by Global IME Bank Ltd, with Sanima Bank Ltd and Everest Bank Ltd acting as co-leads, and Rastriya Baniya Bank Ltd as a consortium member bank. This has now changed, and a new consortium has been formed, led by Prime Commercial Bank Ltd, with Sanima Bank Ltd acting as a co-lead.

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 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
266.10	202.20	210.74	63	87,615	33,009,942.00

During the financial year 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 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 outage 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.