Balephi Hydropower Ltd.

Durbarmarg-1, Kathmandu

Unaudited Financial Statement for the 3rd Quarter

on Chaitra 30, 2082 (13 April, 2026)

Amount in NRs.

Statement of Financial Position	As at Chaitra 30, 2082 (Current Quarter)	As at Poush 30, 2082 (Previous Quarter)	As at Chaitra 31, 2081 (Previous year)
ASSETS			
Non-Current Assets			
Property, Plant & Equipment,(Net)	12,799,410	13,553,655	11,773,673
Intangible Assets (Hydropower Project Assets)	7,691,967,055	7,790,345,132	7,977,336,051
Intangible Assets under Development	598,060,210	473,531,267	181,573,376
Total Non-Current Assets	**8,302,826,675**	**8,277,430,054**	**8,170,683,100**
Current Assets			
Inventories	2,367,934	-	-
Cash & Cash Equivalents	49,641	23,607,069	76,175,830
Trade Receivables	159,216,830	175,498,022	111,892,777
Advances & Deposits	205,398,920	205,908,140	212,315,365
Total Current Assets	**367,033,325**	**405,013,231**	**400,383,972**
Total Assets	**8,669,860,000**	**8,682,443,285**	**8,571,067,072**
Equity & Liabilities			
Equity			
Share Capital	3,655,940,000	3,655,940,000	3,655,940,000
Reserve & Surplus	(733,066,680)	(700,074,337)	(860,893,515)
Total Equity	**2,922,873,320**	**2,955,865,663**	**2,795,046,485**
Non Current Liabilities			
Long Term Borrowings	5,379,290,000	5,380,000,000	5,602,098,751
Other Non-current Liabilities	223,500,865	179,020,873	150,609,080
Total Non Current Liabilities	**5,602,790,865**	**5,559,020,873**	**5,752,707,831**
Current Liabilities			
Sundry Creditors	32,489,314	40,402,804	19,174,650
Short Term Borrowings	109,941,624	126,333,799	3,750,962
Other Payables	1,764,877	820,146	387,144
Total Current Liabilities	**144,195,815**	**167,556,749**	**23,312,756**
Total Equity & Liabilities	**8,669,860,000**	**8,682,443,285**	**8,571,067,072**

Income Statement for the Period ended 30 Chaitra, 2082 (13 April, 2026)

Particulars	As at Chaitra 30, 2082 (Current Quarter)	As at Poush 30, 2082 (Previous Quarter)	As at Chaitra 31, 2081 (Previous Year)
Revenue From Power Sales	878,539,638	637,244,595	596,002,791
Cost of Sales	(72,357,192)	(55,060,845)	(166,724,475)
Gross Profit	**806,182,445**	**582,183,750**	**429,278,316**
Other Income	73,460,217	73,460,217	1,128,061
Administrative Expenses	(37,037,440)	(25,219,714)	(38,336,648)
Repair & Maintanance	-	-	-
Profit Before Interest & Depreciation	**842,605,223**	**630,424,253**	**392,069,729**
Finance Cost	(332,605,810)	(229,965,500)	(432,024,089)
Depreciation and Amortisation	(234,957,947)	(154,718,124)	(242,467,714)
Profit / (Loss) Before Tax	**275,041,466**	**245,740,629**	**(282,422,074)**
Income Taxes	(39,382,650)	(17,592,396)	(44,248,361)
Profit / (Loss) After Tax	**235,658,816**	**228,148,233**	**(326,670,435)**

First Quarter Disclosure as of 30 Chaitra 2082 (13 April 2026) 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.
   - Annualized earning per share for current year is 8.59, P/E ratio 26.89, net worth per share is 79.95 and total assets per share is 237.14.
   - 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 241,295,043.
   - Sufficient stock levels are maintained to support the normal and efficient operation of the plant, and there are no exceptional changes.
   - The Company has faced challenges in the past in achieving its energy generation targets due to recurring damage to civil structures and electromechanical equipment caused by floods and heavy sedimentation. Upgradation works are currently in progress and expected to be completed before the start of FY 2083-84. All the costs related to these upgradation have been capitalized under "Intangible Assets under Development." Upon completion, these improvements are expected to enhance generation capacity, resulting in higher revenue and improved profitability
3. **Legal Processing**
   Urja International Pvt. Ltd. initiated an arbitration proceeding against the Company in relation to a disputed amount concerning the construction of the 132 kV transmission line. The Company has been strongly defending its position, and continues to actively contest the case in the current quarter as well, in accordance with the applicable legal procedures. The matter remains 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
264.40	179.00	231.10	53	94,591	6,530,905,660.30

5. **Problems and Challenges**
   - **Internal Challenges**
     - Retention challenges and shortage of skilled human resources.
     - Frequent wear and tear of critical plant components.
   - **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
     - Rising construction costs due to rise in fuel prices.
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 third quarter of F.Y 2082/83. 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.