लुम्बिनी विकास बैंक लि.
Lumbini Bikas Bank Ltd.
निरन्तर समृद्धतामा

(नेपाल राष्ट्र बैंकबाट "ख" वर्गको इजाजतपत्रप्राप्त संस्था)

केन्द्रीय कार्यालय, चौथो तल्ला । सनराईज बिज पार्क, डिल्लीबजार, काठमाडौं । फोन नं. ०१-४४१३२३४/४४१३३

Unaudited Financial Results

Condensed Statement of Financial Position

As at 32nd Ashadh 2083 (16th July 2026)

Figures in NPR

	Bank	
	This Quarter Ending	Immediate Previous Year Ending (Audited)
Assets		
Cash and cash equivalent	1,880,243,479	3,382,802,508
Due from Nepal Rastra Bank	2,962,014,461	2,745,537,810
Placement with Bank and Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	-	-
Loan and advances to B/FIs	982,999,666	435,726,548
Loans and advances to customers	47,056,203,357	47,067,103,294
Investment securities	13,101,233,755	12,348,523,021
Current tax assets	-	74,421,510
Investment in susidiaries	-	-
Investment in associates	687,008,851	669,000,116
Investment property	292,651,776	221,884,692
Property and equipment	593,369,337	620,262,264
Goodwill and Intangible assets	14,505,258	10,594,061
Deferred tax assets	-	-
Other assets	367,380,573	288,664,411
Total Assets	**67,937,610,513**	**67,864,520,235**
Liabilities		
Due to Bank and Financial Institutions	566,732,099	424,499,392
Due to Nepal Rastra Bank	-	789,900,000
Derivative financial instruments	-	-
Deposits from customers	57,443,387,619	57,594,111,700
Borrowing	-	-
Current Tax Liabilities	9,634,848	-
Provisions	-	-
Deferred tax liabilities	231,589,086	252,308,667
Other liabilities	889,240,673	859,352,895
Debt securities issued	1,052,268,479	1,052,268,479
Subordinated Liabilities	-	-
Total liabilities	**60,192,852,804**	**60,972,441,133**
Equity		
Share capital	3,623,678,162	3,623,678,162
Share premium	-	-
Retained earnings	615,580,562	184,366,145
Reserves	3,505,498,984	3,084,034,795
Total equity attributable to equity holders	**7,744,757,708**	**6,892,079,102**
Non-controlling interest	-	-
Total equity	**7,744,757,708**	**6,892,079,102**
Total liabilities and equity	**67,937,610,513**	**67,864,520,235**

Condensed Statement of Profit or Loss

For the Quarter Ended 32nd Ashadh 2083 (16th July 2026)

Figures in NPR

	Bank			
	Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Interest income	1,138,683,957	4,598,990,834	1,340,192,979	5,622,468,221
Interest expense	593,178,693	2,601,768,974	839,483,841	3,765,167,174
Net interest income	**545,505,264**	**1,997,221,861**	**500,709,138**	**1,857,301,048**
Fee and commission income	60,362,440	196,267,354	42,862,288	216,549,919
Fee and commission expense	4,549,850	11,970,722	2,864,336	10,521,732
Net fee and commission income	**55,812,590**	**184,296,632**	**39,997,952**	**206,028,187**
Net interest, fee and commission income	**601,317,854**	**2,181,518,493**	**540,707,091**	**2,063,329,235**
Net trading income	(619)	44,639	13,983	86,219
Other operating income	6,414,242	99,901,958	42,833,728	87,007,477
Total operating income	**607,731,477**	**2,281,465,090**	**583,554,802**	**2,150,422,931**
Impairment charge/(reversal) for loans and other losses	(107,572,618)	135,036,726	(269,205,785)	778,752,402
Net operating income	**715,304,095**	**2,146,428,364**	**852,760,587**	**1,371,670,529**
Operating expense				
Personnel expenses	175,349,649	578,052,081	169,962,877	459,193,079
Other operating expenses	107,553,235	299,227,030	98,529,581	208,229,742
Depreciation & Amortisation	13,390,462	51,336,419	13,170,602	120,170,252
Operating Profit	**419,010,749**	**1,217,812,834**	**571,097,527**	**584,077,455**
Non operating income	30,152,413	33,597,090	87,120	2,096,686
Non operating expense	10,465,094	25,638,123	97,931,751	110,122,880
Profit before income tax	**438,698,067**	**1,225,771,800**	**473,252,897**	**476,051,261**
Income tax expense	149,365,884	374,756,239	143,151,607	234,944,835
Current Tax	149,365,884	374,756,239	143,151,607	239,695,581
Deferred Tax	-	-	-	(4,750,746)
Profit for the period	**289,332,183**	**851,015,562**	**330,101,290**	**241,106,426**
Earnings per share				
Basic earnings per share		23.48		6.65
Diluted earnings per share (restated)		23.48		6.65

Statement of Other Comprehensive Income

For the Quarter Ended 32nd Ashadh 2083 (16th July 2026)

Figures in NPR

	Bank			
	Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Profit for the year	**289,332,183**	**851,015,562**	**330,101,290**	**241,106,426**
Other comprehensive income for the period, net of income tax	**12,353,575**	**1,663,045**	**122,656,766**	**100,274,008**
Total comprehensive income for the year	**301,685,758**	**852,678,607**	**452,758,056**	**341,380,435**

Ratios as per NRB Directive

Particulars	Current Year		Previous year corresponding	
	Quarter Ending	Upto this quarter	Quarter Ending	Upto this quarter
Capital Fund to RWA		14.96%		13.56%
Tier 1 Capital to RWA		11.31%		10.02%
Non Performing Loan (NPL) to total Loan		6.94%		4.71%
Total Loan Loss Provision to Total NPL		79.74%		113.14%

Statement of Distributable Profit or Loss

For the Quarter Ended 32nd Ashadh 2083 (16th July 2026)
(As per NRB Regulation)

Figures in NPR

	Bank	
	Current Year: Upto this Quarter YTD	Previous Year : Corresponding Quarter YTD
Net profit or (loss) as per statement of profit or loss	**851,015,562**	**241,106,426**
Appropriations:		
a. General reserve	170,203,112	49,024,421
b. Exchange fluctuation fund	279,392	82,260
c. Debenture redemption reserve	125,000,000	125,000,000
d. Corporate social responsibility fund	5,428,223	496,714
e. Employees' training fund	(110,941)	1,437,680
f. Other	-	-
g.Investment Adjustment Reserve	40,000,000	-
Profit or (loss) before regulatory adjustment	**510,215,776**	**65,065,350**
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(43,780,581)	63,587,283
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	-	-
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)	(35,220,778)	(8,918,919)
e. Deferred tax assets recognized (-)/ reversal (+)	-	(4,750,746)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognized (-)/reversal (+)	-	-
h. Actuarial loss recognized (-)/reversal (+)	-	-
i. Other (+/-)	-	-
Distributable profit or (loss)	**431,214,418**	**114,982,968**
Opening Retained Earnings	184,366,145	311,636,886
Adjustment (+/-)	-	4,015,680
Distribution		-
Bonus Share Issued	-	(105,544,024)
Cash Dividend Paid	-	(140,725,366)
Total Distributable Profit or (Loss) on Year End Date	**615,580,562**	**184,366,145**
Annualized Distibutable Profit/Loss Per Share	16.99	5.09

Notes to Interim Financial Report

1. The above figures are subject to review/change from regulator and /or external audit
2. The financial statements presented above have been prepared in accordance with the Nepal Financial Reporting Standards (NFRS) and in the format prescribed by Nepal Rastra Bank (NRB). The bank has calculated preliminary impairment charges in line with NFRS 9 and the guidelines issued by NRB, based on certain assumptions that may be subject to change upon the full implementation of the Expected Credit Loss (ECL) model. Based on preliminary calculations, the impairment charge figure is lower as compared to the loan loss provision computed in accordance with the basis provided by Nepal Rastra Bank.
3. The figures of Previous periods have been regrouped/rearranged whenever necessary
4. Loan and advances is presented along with accrued interest ,staff loan and net off impairment charges
5. Personnel Expenses includes staff bonus as per bonus act 2030 (amended) and amortization of staff loan granted as per Bank's Policy.
6. Investment in Associates are Accounted using equity method of accounting.
7. Detailed Interim Financial Report has been published in the Bank's website www.lumbinibikasbank.com.

Additional disclosure as per Securities Registration and Issuance Regulation -2073 (Sub-Rule 1 of Rule 26) for 4th Quarter of FY 2082/83

A. Financial Statement Highlights

1. Related Party Transactions:
   a. The bank has investment of NPR 80 Million in its associate company Muktinath Capital Limited (Former: Vibor Capital Ltd.). The bank holds 19.75% of shares of Muktinath Capital Ltd.
   b. The bank pays Muktinath Capital Ltd. NPR 300,000 per annum for the services rendered as its Registrar to Shares and NPR 40,000 per annum for the services rendered as Registrar to Debenture.
   c. Muktinath Capital Ltd. maintains call /current deposit accounts with the bank.
2. Ratios as on 4th Quarter End 2082/83:

Particulars	This Quarter Ending
Liquidity	27.89%
Return on total Assets	1.25%
Number of Equity Shares	36,236,782
Earnings per Share	23.48
Net worth per Share	213.73
Price earnings ratio	20.58

B. Management Analysis

1. Quarterly changes in Capital, Reserve, Income and the reason thereof if any:
   a. The bank has recorded a net profit of NPR 289.33 million during the Fourth quarter and NPR 851.02 million year-to-date for Fiscal Year 2082/83. The development bank maintains a comfortable liquidity position.
   b. While comparing with past performance, credit and deposit portfolio in this quarter has been slightly increased. However, the bank has made notable progress in recovery of credit as compared to the past recovery pattern due to increase in repayment capacity of borrowers as well as robustness of recovery campaign and highly motivated staff.
2. Management overview on the business for next period:
   The bank is focusing on strengthening the customer service and minimizing the operation cost through introduction of modern technology. The bank focuses on maximizing the return not only through interest income but through wider range of income generating services such as fee based income and cross selling of bank's products, investment and remittance.

C. Details Pertaining to Legal Proceedings

1. There are some legal cases filed at the courts by our credit customers and in relation to few operational matters and all cases are continued from previous quarter.
2. No such information has been received of law suit filed by or against the promoters or directors of the bank involving violation of statutory regulation or criminal offences.

D. Analysis of Bank's Share Transactions

Maximum, minimum and last share price of the development bank including total transaction and transacted days during the Fourth Quarter. (Source:www.nepalstock.com)

Highest Price	475	Total transacted no. of days	64	Total traded no. of shares	2,844,096
Lowest Price	459	Closing Price	483.4	No. of transactions	9,313

E. Problems and Challenges

1. Internal:
   a. Recovery of chronic Non-Performing Loan and Overdue Interest.
   b. Retention of High value clients.
   c. Recruiting and retention of quality human resource.
2. External:
   a. Availability of sustainable liquidity in the Market
   b. Competitive business environment.
   c. Cost of deposit and yield on Loans due to volatile liquidity situations.
   d. Limited credit opportunity in productive sectors.
   e. Increased level of Operational risk in the industry.
3. Strategy:
   a. Strategy on volatile market and economy.
      - Focus on productive and subsidized sector loan
      -Digitalization of Banking Transaction
      -Implementation of effective cost management practices
      -Proper Management of Assets and liabilities of the Bank.
   b. Aggressive Recovery of NPL.
   c. Diversify credit portfolio through quality and small sized lending, e.g. on small, micro, deprived sector and agriculture instead of big loans.
   d. Identify new avenue of Investment.
   e. Disposal of Non-Banking Assets.

F. Corporate Governance

The Board of Directors, Risk Management Committee, Audit Committee, and Management Team are committed for strengthening good corporate governance within the bank. The development bank

Lumbini Bikas Bank Limited Head Office