Nabil Bank Limited

Unaudited Financial Results

1st Quarter of FY 2025-26 (2082/83)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As On Quarter Ended 31st Ashwin 2082 (October 17, 2025) **NPR in '000**

Particulars	Group		Bank	
	This Quarter Ending	Immediate Previous Year Ending	This Quarter Ending	Immediate Previous Year Ending
Assets				
Cash and Cash Equivalent	19,569,036	7,794,225	10,549,572	7,519,089
Due from Nepal Rastra Bank	24,699,330	21,309,898	24,699,330	21,309,898
Placement with Banks and FIs	29,937,130	24,279,366	29,937,130	24,279,366
Derivative Financial Instruments	19,822,191	20,345,559	19,822,191	20,345,559
Other Trading Assets	1,171,411	1,678,848	-	-
Loans and Advances to Banks and FIs	15,049,512	14,195,506	15,049,512	14,195,506
Loans and Advances to Customers	421,026,606	412,795,547	421,026,606	412,795,547
Investment Securities	135,277,264	117,665,144	134,806,744	117,289,485
Current Tax Assets	465,607	601,988	435,264	581,013
Investment in Subsidiaries	-	-	1,798,000	1,798,000
Investment in Associates	201,683	201,683	80,000	80,000
Investment Property	3,845,088	4,067,766	3,845,088	4,067,766
Property and Equipment	4,400,997	4,488,536	4,374,535	4,464,895
Goodwill and Intangible Assets	286,386	380,048	278,164	372,146
Deferred Tax Assets	-	-	-	-
Other Assets	9,778,131	9,823,490	8,821,394	9,057,489
Total Assets	**685,530,371**	**639,627,604**	**675,523,529**	**638,155,760**
Liabilities				
Due to Banks and FIs	9,931,167	8,633,747	9,931,167	8,633,747
Due to Nepal Rastra Bank	-	-	-	-
Derivative Financial Instruments	19,824,917	20,401,917	19,824,917	20,401,917
Deposits from Customers	555,882,380	523,916,736	556,618,505	524,625,959
Borrowings	537,500	463,000	-	-
Current Tax Liabilities	-	-	-	-
Provisions	-	-	-	-
Deferred Tax Liabilities	1,445,029	1,685,305	1,531,161	1,687,331
Other Liabilities	19,812,954	10,332,223	10,021,695	9,436,461
Debt Securities Issued	12,463,916	9,630,773	12,463,916	9,630,773
Subordinated Liabilities	-	-	-	-
Total Liabilities	**619,897,864**	**575,063,702**	**610,391,361**	**574,416,188**
Equity				
Share Capital	27,056,997	27,056,997	27,056,997	27,056,997
Share Premium	-	-	-	-
Retained Earnings	5,607,927	5,088,046	5,635,298	4,773,059
Reserves	32,670,116	32,124,268	32,439,874	31,909,517
Total Equity Attributable to Equity Holders	**65,335,040**	**64,269,310**	**65,132,168**	**63,739,572**
Non Controlling Interest	297,468	294,593	-	-
Total Equity	**65,632,508**	**64,563,903**	**65,132,168**	**63,739,572**
Total Liabilities and Equity	**685,530,371**	**639,627,604**	**675,523,529**	**638,155,760**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (For the Quarter Ended 31st Ashwin 2082)

NPR in '000

Particulars	Group				Bank			
	Current Year		Previous Year Corresponding		Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Interest Income	9,810,280	9,810,280	10,833,748	10,833,748	9,801,139	9,801,139	10,819,990	10,819,990
Interest Expense	5,917,505	5,917,505	6,685,435	6,685,435	5,899,879	5,899,879	6,679,705	6,679,705
Net Interest Income	**3,892,774**	**3,892,774**	**4,148,312**	**4,148,312**	**3,901,260**	**3,901,260**	**4,140,285**	**4,140,285**
Fee and Commission Income	1,114,018	1,114,018	1,018,605	1,018,605	1,023,103	1,023,103	932,401	932,401
Fee and Commission Expense	234,664	234,664	195,921	195,921	224,375	224,375	180,917	180,917
Net Fee and Commission Income	**879,354**	**879,354**	**822,683**	**822,683**	**798,728**	**798,728**	**751,484**	**751,484**
Net Interest, Fee and Commisson Income	**4,772,128**	**4,772,128**	**4,970,995**	**4,970,995**	**4,699,987**	**4,699,987**	**4,891,769**	**4,891,769**
Net Trading Income	(5,245)	(5,245)	187,869	187,869	225,069	225,069	173,272	173,272
Other Operating Income	334,533	334,533	324,222	324,222	349,053	349,053	263,790	263,790
Total Operating Income	**5,101,416**	**5,101,416**	**5,483,086**	**5,483,086**	**5,274,110**	**5,274,110**	**5,328,830**	**5,328,830**
Impairment Charge/ (Reversal) for Loans and Other Losses	647,227	647,227	457,727	457,727	647,227	647,227	457,727	457,727
Net Operating Income	**4,454,189**	**4,454,189**	**5,025,358**	**5,025,358**	**4,626,883**	**4,626,883**	**4,871,103**	**4,871,103**
Operating Expense								
Personnel Expenses	1,501,297	1,501,297	1,453,780	1,453,780	1,478,551	1,478,551	1,429,834	1,429,834
Other Operating Expenses	396,794	396,794	379,327	379,327	387,542	387,542	371,010	371,010
Depreciation & Amortisation	184,608	184,608	180,259	180,259	180,904	180,904	176,800	176,800
Operating Profit	**2,371,489**	**2,371,489**	**3,011,993**	**3,011,993**	**2,579,886**	**2,579,886**	**2,893,459**	**2,893,459**
Non Operating Income	5,760	5,760	57,319	57,319	5,760	5,760	8,154	8,154
Non Operating Expense	103,401	103,401	65,428	65,428	103,401	103,401	65,428	65,428
Profit Before Income Tax	**2,273,848**	**2,273,848**	**3,003,884**	**3,003,884**	**2,482,245**	**2,482,245**	**2,836,186**	**2,836,186**
Income Tax Expense								
Current Tax	739,895	739,895	810,316	810,316	725,254	725,254	779,595	779,595
Deferred Tax	(77,498)	(77,498)	2,821	2,821	-	-	-	-
Profit/(Loss) for the Period	**1,611,451**	**1,611,451**	**2,190,746**	**2,190,746**	**1,756,991**	**1,756,991**	**2,056,590**	**2,056,590**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (For the Quarter Ended 31st Ashwin 2082)

NPR in '000

Particulars	Group				Bank			
	Current Year		Previous Year Corresponding		Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Profit / (loss) for the Period	**1,611,451**	**1,611,451**	**2,190,746**	**2,190,746**	**1,756,991**	**1,756,991**	**2,056,590**	**2,056,590**
Other Comprehensive Income	**(376,746)**	**(376,746)**	**467,734**	**467,734**	**(364,396)**	**(364,396)**	**466,330**	**466,330**
Total Comprehensive Income	**1,234,705**	**1,234,705**	**2,658,480**	**2,658,480**	**1,392,596**	**1,392,596**	**2,522,921**	**2,522,921**
Basic Earnings per Share (Annualized)		23.37		32.39		25.49		29.83
Diluted Earnings per Share (Annualized)		23.37		32.39		25.49		29.83
Profit Attributable to:								
Equity-Holders of the Bank	1,230,920	1,230,920	2,643,086	2,643,086	1,392,596	1,392,596	2,522,921	2,522,921
Non-Controlling Interest	3,785	3,785	15,394	15,394	-	-	-	-
Total	**1,234,705**	**1,234,705**	**2,658,480**	**2,658,480**	**1,392,596**	**1,392,596**	**2,522,921**	**2,522,921**

RATIOS AS PER NRB DIRECTIVE (%)

Particulars	Group				Bank			
	Current Year		Previous Year Corresponding		Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Capital Fund to RWA		12.85		12.66		12.67		12.64
Tier-1 Capital to RWA		10.04		9.79		9.55		9.77
CET-1 Capital to RWA		10.04		9.79		9.55		9.77
Gross Non-Performing Loan (NPL) to Total Loan		4.31		4.24		4.31		4.24
Net Non-Performing Loan (NPL) to Total Loan		0.97		1.42		0.97		1.42
Total Loan Loss Provision to Total NPL		108.71		100.73		108.71		100.73
Costs of Funds		4.13		5.31		4.13		5.31
Credit to Deposit Ratio		78.14		81.71		78.14		81.71
Base Rate (3 Months Average)		5.58		7.02		5.58		7.02
Interest Rate Spread		3.51		3.98		3.51		3.98
Return on Equity (Annualized)		9.76		14.30		10.70		13.52
Return on Assets (Annualized)		0.95		1.53		1.05		1.44

STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS (For the Quarter End of Ashwin 2082)

(As per NRB Regulation) **NPR in '000**

Particulars	Bank	
	Current Year Upto this Qtr YTD	Previous Year Upto this Qtr YTD
Net profit / (loss) as per statement of profit or loss	**1,756,991**	**2,056,590**
Transfer from Fair Value Reserve	**-**	**-**
Less: appropriations (-) / contributions (+):		
a. General reserve	(351,398)	(411,318)
b. Foreign exchange fluctuation fund	(13,334)	(8,680)
c. Capital redemption reserve (Debenture Redemption Reserve)	(355,852)	(355,852)
d. Corporate social responsibility fund	(17,570)	(20,566)
e. Employees' training fund	1,490	2,862
f. Investment adjustment reserves	-	-
g. Others:	1,043	4,175
Profit or (loss) before regulatory adjustment	**1,021,371**	**1,267,212**
Regulatory Adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(265,616)	(499,427)
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 (+)	110,827	367,195
e. Deferred tax assets recognised (-)/ reversal (+)	-	-
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	-	-
i. Other (+/-)	(4,344)	(11,088)
Net Profit for the Quarter end of Ashwin 2082 available for distribution	**862,239**	**1,123,892**
Opening Retained Earnings as on Shrawan 1, 2082	**4,773,059**	**3,857,344**
Adjustment (+/-)	-	-
Distribution:		
Bonus Share Issued	-	-
Cash Dividend Paid	-	-
Total Distributable Profit/(Loss)as on quarter end date	**5,635,298**	**4,981,236**
Annualized Distributable Profit/(Loss) per share on Ashwin End 2082	**30.15**	**20.96**

Notes:

- Figures presented above (including corresponding previous year figures) may vary with the audited figures if instructed by the banking regulator and/or statutory auditors.
- Group Financial Statements include Nabil Bank Ltd. (Parent Co.), Nabil Investment Banking Ltd. (Subsidiary Co.), Nabil Stock Dealer Limited (Subsidiary Co.).
- All inter-company transactions and outstanding balances among Group Companies are excluded in Group Financial Statements.
- The Bank has calculated expected credit loss figures which came at lower side as compared to Provision calculated as per NRB Prudential Norms and hence the bank has booked the loan loss provision calculated as per prudential norms prescribed by Nepal Rastra Bank as impairment charges.
- Regulatory adjustment on accrued interest and on possible losses in investment property (NBA) has been made as per NRB Circular (BFIRD/Policy/Circular/05/2081-82).
- Interest Income on Loan and Advances has been recognized as per Guidance note on Interest Income Recognition, 2025 issued by NRB.
- Loans and Investments are presented net of impairment charges and includes interest accruals and staff loans. Likewise, deposits include accrued interest payables.
- Personnel Expenses includes provision for staff bonus which has been calculated in line with the provisions in Bonus Act.
- The detailed interim financial statement has also been published in the Bank's website www.nabilbank.com.

1. MAJOR FINANCIAL INDICATORS

Earnings Per Share (NPR)	25.49
Price Earnings Ratio (Times)	19.97
Net Worth Per Share (NPR)	240.72
Total Assets Per Share (NPR)	2,497
LD Ratio (%)	30.79

2. RELATED PARTY DISCLOSURE

- Group comprises of Nabil Bank Ltd. (the Bank), Nabil Investment Banking Ltd. (Subsidiary) and Nabil Stock Dealer Ltd. (Subsidiary).
- Nabil Investment Banking Ltd is a Merchant Banker licensed under Securities Businessperson (Merchant Banker) Regulation, First Amendment 2074 from the Securities Board of Nepal (SEBON). Nabil Stock Dealer Ltd. is a stock dealer / brokerage company licensed under Securities Business Person (Securities Broker and Securities Dealer) Regulation, 2064 from SEBON.
- All transactions between the Bank and the Subsidiaries are executed on arm's length principle. Effects of all inter-company transactions and outstanding balances are excluded in group statements.
- Bank and Nabil Investment Banking Ltd. (Subsidiary) have entered into a Service Level Agreement (SLA) under which the Bank provides various operational supports to Subsidiary.
- Bank has appointed Nabil Investment Banking Ltd (Subsidiary) as its Registrar to Share, Registrar to various Debentures issued by the bank and also the Fund Manager to Mutual Fund Schemes under the Bank's sponsorship.
- All transactions with the Directors and Key Management Personnel are conducted on the basis of Articles of Association and Employee Bylaws of the bank.

3. MANAGEMENT ANALYSIS

- Management is consistently working on building a strong balance sheet, diversifying its portfolio to cater to the growing demands of the economy, achieving sustainable growth and making investments in high quality assets, ensuring continuity of business, making effective use of its resources and further enhance management and workplace efficiency.
- The Bank has made significant investments in its products, people and technology with the introduction of DigiBank and nBank, has upgraded its IT infrastructure, automated work processes, further enhancing transaction and data security all the while maintaining and improving internal control systems and risk management practices.
- There are no such incidents during the period which might have negative impact on the reserve, profit or cash flow position of the Bank.

4. DETAILS RELATED TO LEGAL PROCEEDINGS

Except in the regular course of business, there are no law-suits of material nature filed by or filed against the Bank/promoters/directors on account of violation of prevailing laws or commission of criminal offences or financial crime.

5. ANALYSIS OF BANK'S SHARES TRANSACTIONS

- The market price of the Bank's share is fully dependent on market movements and the Bank does not comment on its share transactions.
- The Bank has complied with the prevailing disclosure norms and regulatory directives issued by Securities Board of Nepal (SEBON) and Nepal Rastra Bank (NRB).
- Details of share transactions during the quarter:

Maximum Price (NPR)	562.00
Minimum Price (NPR)	471.00
Closing Price (NPR)	509.00
Total Units Traded	3,978,495
Total Days Traded	51

6. PROBLEMS AND CHALLENGES

Internal:

- Management of NPA owing to the economic situation of the country.
- Challenge of assets growth in the back drop of low economic growth and declining assets quality
- Challenge of improving non - interest revenue
- Challenge of liquidity and interest risk management

External:

- Political instability and Slowdown in the economy
- Fluctuating/Excess market liquidity position
- Stagnant credit demand
- Impact of low capital expenditure of government on various sectors
- Increasing information security risk

Bank's strategy to mitigate problems and challenges:

- Prudent management of assets and liabilities
- Effective management of cost through improved productivity and efficiency
- Exploration of alternate business avenues and channels for maintaining the contribution from non-interest income
- Embracing digitization for remarkable improvement in product offerings and service delivery
- Enhancing skill sets of staff for upgrading our service standard

7. CORPORATE GOVERNANCE

The Bank has a separate Governance Unit in place for continuous monitoring of governance issues within the Bank. The Board of Directors, Audit Committee and Senior Management are committed to upholding good corporate governance practices in the Bank. The Bank's organization structure, internal control system and management practices are designed keeping best corporate governance practices in mind.

8. DECLARATION BY CHAIRMAN/CEO ABOUT THE TRUTHFULNESS OF FINANCIALS / INFORMATION

I, CEO of the Bank, take responsibility on the truthfulness of the information and particulars disclosed in this report to the best of my knowledge. Further, I declare that the particulars mentioned in this report, to the best of my knowledge, are true, fair and complete at the time of publication of this report and have not knowingly concealed any material particulars and information for investors to take informed decisions.

NABIL BANK®

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