Unaudited Financial Results (Quarterly)

1st Quarter ended of Fiscal Year 2081/82

Condensed Consolidated Statement of Financial Position

For the quarter ended 30th Ashwin 2081

Amount In NPR

Particular	Group		Bank	
	This Quarter Ending	Ashad End 2081 (Audited)	This Quarter Ending	Ashad End 2081 (Audited)
Assets				
Cash and cash equivalent	15,158,922,152	13,140,926,093	15,088,658,916	13,072,489,091
Due from Nepal Rastra Bank	11,684,290,377	14,237,362,921	11,684,290,377	14,237,362,921
Placement with Bank and Financial Institutions	574,408,930	641,043,234	529,408,930	591,043,234
Derivative financial instruments	-	-	-	-
Other trading assets	544,130,904	466,650,478	382,277,931	319,682,584
Loan and advances to B/FIs	6,288,956,498	5,527,765,571	6,288,956,498	5,527,765,571
Loans and advances to customers	160,886,557,972	159,414,975,899	160,886,339,236	159,414,737,417
Investment securities	35,052,515,255	34,178,270,380	34,937,563,745	34,082,393,021
Current tax assets	-	4,987,441	-	1,657,283
Investment in subsidiaries	-	-	450,000,000	450,000,000
Investment in associates	-	-	-	-
Investment property	708,577,386	674,001,855	708,577,386	674,001,855
Property and equipment	1,413,743,059	1,413,451,044	1,397,830,281	1,395,433,175
Goodwill and Intangible assets	79,783,319	85,113,768	76,358,773	81,631,313
Deferred tax assets	247,910,676	247,581,098	251,882,287	248,728,752
Other assets	3,738,268,322	3,782,301,899	3,698,899,979	3,765,283,209
Total Assets	**236,378,064,849**	**233,814,431,681**	**236,381,044,337**	**233,862,209,426**
Liabilities				
Due to Bank and Financial Institutions	1,685,796,734	2,182,161,765	1,685,796,734	2,182,161,765
Due to Nepal Rastra Bank	-	-	-	-
Derivative financial instruments	5,452,192	1,888,161	5,452,192	1,888,161
Deposits from customers	199,554,248,446	196,897,160,122	199,847,454,458	197,197,071,124
Borrowing	1,076,000,000	1,070,000,000	1,076,000,000	1,070,000,000
Current Tax Liabilities	138,290,954	-	134,966,597	-
Provisions	33,507,312	36,443,214	33,507,312	36,443,214
Deferred tax liabilities	-	-	-	-
Other liabilities	3,037,545,665	3,207,510,176	2,901,515,177	3,073,480,040
Debt securities issued	9,378,478,500	9,377,516,000	9,378,478,500	9,377,516,000
Subordinated Liabilities	-	-	-	-
Total liabilities	**214,909,319,803**	**212,772,679,437**	**215,063,170,970**	**212,938,560,304**
Equity				
Share capital	13,581,525,414	13,581,525,414	13,581,525,414	13,581,525,414
Share premium	-	-	-	-
Retained earnings	1,832,796,449	1,535,962,971	1,713,574,134	1,447,337,257
Reserves	6,054,423,183	5,924,263,859	6,022,773,819	5,894,786,451
Total equity attributable to equity holders	**21,468,745,046**	**21,041,752,244**	**21,317,873,367**	**20,923,649,123**
Non-controlling interest				
Total Equity	**21,468,745,046**	**21,041,752,244**	**21,317,873,367**	**20,923,649,123**
Total Liabilities and Equity	**236,378,064,849**	**233,814,431,681**	**236,381,044,337**	**233,862,209,426**

Condensed Consolidated Statement of Profit or Loss

For the quarter ended 30th Ashwin 2081

Amount In NPR

Particular	Group		Bank	
	Current Year First Quarter	Previous Year Corresponding First Quarter	Current Year First Quarter	Previous Year Corresponding First Quarter
Interest income	4,457,487,297	5,582,360,562	4,455,621,469	5,579,309,602
Interest expense	3,132,561,380	4,050,461,805	3,135,606,716	4,057,444,759
Net interest income	**1,324,925,917**	**1,531,898,757**	**1,320,014,753**	**1,521,864,843**
Fee and commission income	350,546,046	323,439,210	314,690,760	291,584,739
Fee and commission expense	54,315,567	46,508,151	50,486,242	45,850,558
Net fee and commission income	**296,230,479**	**276,931,059**	**264,204,518**	**245,734,181**
Net interest, fee and commission income	**1,621,156,396**	**1,808,829,815**	**1,584,219,271**	**1,767,599,024**
Net trading income	216,151,456	150,237,194	188,059,833	154,000,672
Other operating income	123,559,407	39,237,307	120,069,204	73,505,483
Total operating income	**1,960,867,259**	**1,998,304,316**	**1,892,348,307**	**1,995,105,178**
Impairment charge/(reversal) for loans and other losses	563,166,457	542,700,621	563,166,457	542,700,621
Net operating income	**1,397,700,802**	**1,455,603,695**	**1,329,181,850**	**1,452,404,558**
Operating expense				
Personnel expenses	484,185,010	452,724,960	470,260,563	441,220,977
Other operating expenses	240,884,641	247,117,013	235,114,127	237,976,444
Depreciation & Amortization	52,615,933	51,772,321	51,703,098	50,808,948
Operating Profit	**620,015,218**	**703,989,401**	**572,104,063**	**722,398,189**
Non operating income	3,323,596	501,172	3,323,596	501,172
Non operating expense	1,329,311	48,181,173	1,329,311	48,181,173
Profit before income tax	**622,009,504**	**656,309,400**	**574,098,349**	**674,718,187**
Income tax expense				
Current Tax	186,092,525	200,440,019	174,567,856	191,808,242
Deferred Tax	2,969,834	(1,037,730)	-	-
Profit for the period	**432,947,145**	**456,907,110**	**399,530,493**	**482,909,945**
Condensed Consolidated Statement of Other Comprehensive Income				
Profit/(Loss) for the period	432,947,145	456,907,110	399,530,493	482,909,945
Other comprehensive income	(6,569,943)	(86,783,184)	(5,921,848)	(74,229,697)
Total Comprehensive Income	**426,377,202**	**370,123,926**	**393,608,645**	**408,680,248**
Basic earnings per share	12.51	14.39	11.55	15.21
Diluted earnings per share	12.51	14.39	11.55	15.21
Profit attributable to:				
Equity holders of the Bank	432,947,145	456,907,110	399,530,493	482,909,945
Non-controlling interest	-	-	-	-
Total	**432,947,145**	**456,907,110**	**399,530,493**	**482,909,945**

Ratios as per NRB Directive

Particular	Group		Bank	
	Current Year Up to This Quarter (YTD)	Previous Year Corresponding Up to This Quarter (YTD)	Current Year Up to This Quarter (YTD)	Previous Year Corresponding Up to This Quarter (YTD)
Capital Fund to RWA (%)	13.18	13.77	13.18	13.77
Tier I Capital to RWA (%)	9.76	10.09	9.76	10.09
CET I Capital to RWA (%)	9.76	10.09	9.76	10.09
Gross Non Performing Loan (NPL) to Total Loan (%)	2.94	1.79	2.94	1.79
Net Non Performing Loan (NPL) to Total Loan (%)	1.38	0.92	1.38	0.92
Total Loan Loss Provision to Total NPL (%)	107.40	139.90	107.40	139.90
Monthly Cost of Funds (%)	5.64	7.98	5.64	7.98
Credit To Deposit Ratio (%)	80.17	76.96	80.17	76.96
Monthly Base Rate (%)	7.24	9.75	7.24	9.75
Interest Rate Spread (%)	4.00	4.00	4.00	4.00

Statement of Distributable Profit or Loss , For the quarter ended 30th Ashwin 2081, (As per NRB Regulation)

Amount In NPR

Particular	Bank	
	Current Year Upto this Qtr YTD	Previous Year Corresponding Qtr YTD
Net profit or (loss) as per statement of profit or loss	**399,530,493**	**482,909,945**
Appropriations:		
a. General reserve	(79,907,000)	(96,582,000)
b. Foreign exchange fluctuation fund	(7,765,879)	-
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	(3,995,305)	(4,829,099)
e. Employees' training fund	-	-
f. Investment Adjustment Reserve	(30,000,000)	-
g. Other		
Debenture redemption reserve	(69,034,639)	(67,735,600)
Profit or (loss) before regulatory adjustment	**208,827,670**	**313,763,246**
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(5,804,268)	(447,387,919)
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 (+)	71,962,204	-
e. Deferred tax assets recognized (-)/ reversal (+)	-	-
f. Goodwill recognized (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognized (-)/reversal (+)	-	-
h. Actuarial loss recognized (-)/reversal (+)	-	-
i. Other (+/-)	(18,183,234)	(2,532,546)
Net Profit for the Qtr ended Ashwin 2081 available for distribution	**256,802,372**	**(136,157,219)**
Opening retained earning as on Shrawan 1	1,447,337,257	2,215,038,700
Transfer from investment adjustment reserve	-	37,500,000
Transfer from corporate social responsibility fund	7,794,504	980,120
Transfer from fair value reserve	1,148,400	-
Reversal of deferred tax liability	491,600	-
Distribution		
Bonus Share issued	-	-
Cash Dividend paid	-	-
Total Distributable profit or (loss) as on qrt end date	**1,713,574,134**	**2,117,361,601**
Annualized Distributable Profit/Loss per share	17.76	24.36

- Above financials have been prepared in accordance with Nepal Financial Reporting Standards (NFRS), including the carve-outs as issued by the Institute of Chartered Accountants of Nepal.
- Figures are subject to change as per direction from supervisory authority and statutory auditor.
- Loans and advances include interest receivables and staff loans which are presented net of impairment loss.
- Entire accrued interest receivable on loans falling under stage 3 (i.e. overdue more than 90 days) as per NFRS 9 has been suspended as per Expected Credit Loss Related Guidelines, 2024 issued by NRB. Due to change in interest income recognition policy introduced by above guidelines, the net profit of the bank has been impacted by Rs. 247.15 million.
- Impairment loss on credit exposures has been measured and recognised as the higher of total Expected Credit Loss as per NFRS 9 and existing regulatory provisions as per NRB Directives in line with Expected Credit Loss Related Guidelines, 2024 issued by NRB.
- Personnel expenses include provision for employee bonus and amortization of prepayment amount of subsidized loans provided to the employees of the Bank.
- Loan service fees have not been considered while computing effective interest rate during the interim period.
- CD Ratio has been computed on the month's average balance.
- Actuarial valuation for employee benefits is done on annual basis only.
- Previous period figures have been regrouped and rearranged wherever necessary.
- Cash dividend of 5.2632% from the retained earnings as at 15th July 2024 proposed by Board of Directors during the interim period is yet to be approved by NRB and Annual General Meeting of shareholders of the Bank.
- The detailed interim report has been published in the Bank's website.

Related Party Disclosures:

- Group represents Sanima Bank Ltd. and its 100% subsidiaries Sanima Capital Ltd and Sanima Securities Ltd.
- All inter-company transactions are executed on arm's length basis. All inter-company transactions and outstanding balances amongst group companies have been eliminated in the above statements related to group.
- The Bank has Rs. 293.21 million as various deposits of its subsidiaries at this quarter end. The Bank paid net interest amount Rs. 3.05 million on such deposits during the reporting period.
- The Bank has entered into Service Level Agreements with Sanima Capital to provide operational and technical assistance for a fee of Rs. 2.18 million for the year 2024-25.
- The Bank has entered into Service Level Agreements with Sanima Securities to provide operational and technical assistance for a fee of Rs. 0.6 million for the year 2024-25.
- The Bank has appointed Sanima Capital as its share registrar.

धितोपत्र दर्ता तथा निष्काशन नियमावली २०७३ को अनुसूची १४ बमोजिमको विवरण

(नियम ३६ को उपनियम (१) सँग सम्बन्धित)

१. वित्तीय विवरण

क) बैंकको आ.व. २०८१/८२ को प्रथम त्रैमासको वित्तीय विवरण यसैसाथ प्रकाशित गरिएको छ ।

ख) प्रमुख वित्तिय अनुपातहरू

प्रति शेयर आम्दानी (रू.)	११.५५	प्रति शेयर कुल सम्पति (रू.)	१,७४०.४६
मूल्य आम्दानी अनुपात	३०.१४	तरलता अनुपात (%)	२८.९७
प्रति शेयर नेटवर्थ (रू.)	१५६.९६		

२. व्यवस्थापकीय विश्लेषण

क) समुच्च आर्थिक प्रतिकुलताको वाबजुत बैंकको व्यवसायमा सन्तोषजनक वृद्धि भएको छ ।

ख) दिगो आर्थिक विकासको लागि बैंकले विश्वसनीय तवरबाट सदाझै सरोकारवालाहरूको हितको संरक्षण गर्दै विशुद्व बैंकिङ सुविधा प्रदान गर्दै जानेछ ।

ग) समिक्षा अवधिमा बैंकको मौज्दात, नाफा वा नगद प्रवाहमा तात्विक असर पार्ने कुनै घटना, अवस्था आदि नभएको ।

३. कानुनी कारवाही सम्वन्धी विवरण

क) त्रैमासिक अवधिमा संगठित संस्थाले वा संस्था विरूद्ध कुनै मुद्दा दायर भएको भए ।
- यस त्रैमासमा बैंकको सामान्य व्यवसायिक कारोबार सम्बन्धी मुद्दा बाहेक व्यवसायमा तात्विक असर पर्ने गरी बैंकले वा बैंकको विरूद्ध कुनै मुद्दा दायर नभएको ।

ख) संगठित संस्थाको संस्थापक वा संचालकले संस्थापक वा संचालकको विरूद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा दायर मुद्दा ।
- यस सम्बन्धी कुनै जानकारी प्राप्त नभएको ।

ग) कुनै संस्थापक वा संचालक विरूद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर भएको भए ।
- यस सम्बन्धी कुनै जानकारी प्राप्त नभएको ।

४. संगठित संस्थाको शेयर कारोवार सम्वन्धी विश्लेषण

क) धितोपत्र बजारमा सुचिकृत रहेको यस बैंकको शेयरको कारोबार मूल्य खुल्ला बजारले निर्धारण गर्ने भएकोले यस सम्बन्धमा व्यवस्थापनको धारणा तटष्थ रहेको छ ।

ख) समिक्षा अवधिमा शेयरको अधिकतम, न्यूनतम र अन्तिम मूल्य, कुल कारोवार भएको दिन र कुल कारोवार भएको संख्या र शेयर विवरण देहाय वमोजिम रहेको छ ।

अधिकतम मूल्य (रू.)	३८२.००	कूल कारोवार दिन	५७
न्यूनतम मूल्य (रू.)	२७८.००	कूल कारोवार संख्या	४६,३९१
आश्विन मसान्तको अन्तिम मूल्य (रू.)	३४८.००	कूल कारोवार शेयर संख्या	१,३७,४७,९२६

५. समस्या तथा चुनौती

क) आन्तरिक समस्या तथा चुनौती
- ब्याज तथा गैरब्याज आम्दानीको वृद्धिमा चुनौती ।
- कर्जा असुलीमा चाप ।

ख) वाह्य समस्या र चुनौती
- कर्जाको माग तथा निक्षेप वृद्धिमा सन्तुलन नहुनु ।
- सूचना प्रविधिको क्षेत्रमा देखा परेका नयाँ किसिमका चुनौतीहरू ।
- राष्ट्रिय तथा अन्तर्राष्ट्रिय अर्थतन्त्रको संकुचनबाट उत्पन्न हुन सक्ने जोखिमहरू तथा असुलीमा चाप ।
- नीतिनिर्देशन तथा कानुनहरूमा हुने परिवर्तनले उत्पन्न हुनसक्ने सम्भावित चुनौतीहरू ।

ग) रणनीति
- निक्षेप तथा कर्जाको विविधिकरण ।
- आयआर्जन गर्ने नयाँ क्षेत्रहरू विस्तार तथा निक्षेप परिचालनमा जोड ।
- समय सापेक्ष प्रविधिमा आधारित नयाँ सेवाहरूको विकास ।
- पूँजीकोष वृद्धि ।
- निष्कृय कर्जा व्यवस्थापन ।
- कर्जा असुलीलाई विशेष प्राथमिकता ।
- समग्र जोखिम व्यवस्थापनको आधारभुत पक्षहरूको मजबुतीकरण ।

६. संस्थागत सुशासन
- बैंक तथा वित्तीय संस्था सम्वन्धि ऐन, २०७३, नेपाल राष्ट्र बैंकद्धारा जारी गरिएका निर्देशन तथा परिपत्रहरूको पूर्ण रूपमा पालना गरिएको छ । संस्थागत सुशासनलाई सदैव उच्च प्राथमिकतामा राख्दै आएको र संस्थागत सुशासन सम्बन्धी निर्देशन तथा परिपत्रहरूको अक्षरस पालना गरिएको छ ।
- बैंकको समग्र जोखिम व्यवस्थापन कार्यलाई मजबुत पार्न, संचालन जोखिम कम गर्न तथा आन्तरिक प्रकृयाहरूलाई व्यवस्थित गर्न जोखिम व्यवस्थापन समिति (Risk Management Committee) गठन गरिएको छ । आन्तरिक नियन्त्रण प्रणाली व्यवस्थित गर्न लेखापरीक्षण समिति (Audit Committee) गठन गरिएको छ जसले बाह्य तथा आन्तरिक लेखापरीक्षकवाट दिईएका सुझाव तथा निर्देशनहरूलाई कार्यान्वयन गराउनुका साथै आन्तरिक नियन्त्रण प्रणालीलाई अझ सुदृढ बनाउन व्यवस्थापनलाई सल्लाह र सुझावहरू दिदै आईरहेको छ । त्यस्तै सम्पति शुद्विकरण सम्बन्धी कार्यहरूको अनुपालनाको अवस्था विश्लेषण गर्न सम्पति शुद्विकरण समिति क्रियाशिल रहेको छ ।
- कारोवारलाई छिटो, छरितो, चुस्त तथा वैज्ञानिक बनाउन तथा अन्य आवश्यक रणनीति तय गर्न व्यवस्थापन समिति (MANCOM), कर्जा जोखिम व्यवस्थापन समिति (Credit Risk Management Committee), सम्पत्ति/दायित्व व्यवस्थापन समिति (ALCO) लगायतका विभिन्न समितिहरू क्रियाशिल रहेका छन् ।
- नेपाल राष्ट्र बैंकको निर्देशन, स्थलगत निरिक्षण प्रतिवेदन, आन्तरिक तथा बाह्य लेखापरीक्षण प्रतिवेदनमा औल्याईएका सुझाव तथा निर्देशनहरूलाई यस बैंकले सदैव पालना गर्दै आएको छ । संस्थागत सुशासनको पूर्ण पालना गर्दै यसलाई अझ सुदृढ बनाउँदै लैजान यस बैंकको संचालक समिति र व्यवस्थापन प्रतिबद्ध रहेको छ ।

७. सत्यतथ्य सम्वन्धमा कार्यकारी प्रमुखको उद्घोषण

आजका मितिसम्म यस प्रतिवेदनमा उल्लेखित जानकारी तथा विवरणहरूको शुद्धता सम्वन्धमा म व्यक्तिगत रूपमा उत्तरदायित्व लिन्छु । साथै, म यो उद्घोष गर्दछु कि मैले जाने बुझेसम्म यस प्रतिवेदनमा उल्लेखित विवरणहरू सत्य, तथ्य र पुर्ण छन् तथा लगानीकर्ताहरूलाई सुसुचित निर्णय लिन आवश्यक कुनै विवरण, सूचना तथा जानकारीहरू लुकाईएको छैन ।