Nepal SBI Bank Ltd.

Unaudited Interim Financial Statement of FY 2083/84

Condensed Consolidated Statement of Financial Position
As on Ashwin 31, 2083 (17.10.2026)

Amount in NPR

Particulars	Group		Bank	
	This Quarter ending Ashwin 31, 2083	Immediate Previous Year Ending Ashadh 32, 2083	This Quarter ending Ashwin 31, 2083	Immediate Previous Year Ending Ashadh 32, 2083
Assets				
Cash and cash equivalent	30,099,634,972	32,342,253,915	30,072,562,318	32,339,309,567
Due from Nepal Rastra Bank	28,330,869,937	9,078,074,287	28,330,869,937	9,078,074,287
Placement with Bank and Financial Institutions	26,883,013,400	19,568,531,512	26,803,013,400	19,466,031,512
Derivative financial instruments	172,257,288	-	172,257,288	-
Other trading assets	345,521,944	375,331,214	215,214,937	214,698,740
Loan and advances to B/FIs	5,038,938,155	5,627,103,186	5,038,938,155	5,627,103,186
Loans and advances to customers	150,500,089,265	146,077,737,619	150,500,089,265	146,077,737,619
Investment securities	29,622,997,261	29,658,178,557	29,622,997,261	29,658,178,557
Current tax assets	74,102,593	308,950,939	64,251,082	299,847,499
Investment in subsidiaries	-	-	188,888,889	188,888,889
Investment in associates	-	-	-	-
Investment property	1,334,663,770	1,357,216,427	1,334,663,770	1,357,216,427
Property and equipment	1,271,434,093	1,290,973,706	1,264,626,867	1,283,859,495
Goodwill and Intangible assets	51,562,989	42,254,346	51,552,708	42,240,637
Deferred tax assets	493,125,471	495,730,833	490,676,883	493,389,013
Other assets	1,496,039,375	2,272,737,117	1,455,187,762	2,230,947,527
Total Assets	**275,714,250,512**	**248,495,073,659**	**275,605,790,521**	**248,357,522,955**
Liabilities				
Due to Bank and Financial Institutions	-	-	-	-
Due to Nepal Rastra Bank	-	-	-	-
Derivative financial instruments	-	79,996,812	-	79,996,812
Deposits from customers	239,493,888,968	212,817,766,935	239,529,336,105	212,826,428,570
Borrowing	-	-	-	-
Current tax liabilities	-	-	-	-
Provisions	-	-	-	-
Deferred tax liabilities	-	-	-	-
Other liabilities	4,635,714,249	4,570,466,305	4,602,392,287	4,536,184,839
Debt securities issued	8,842,630,294	8,842,024,274	8,842,630,294	8,842,024,274
Subordinated liabilities	-	-	-	-
Total liabilities	**252,972,233,511**	**226,310,254,326**	**252,974,358,686**	**226,284,634,495**
Equity				
Share capital	11,335,124,391	11,335,124,391	11,335,124,391	11,335,124,391
Share premium	-	-	-	-
Retained earnings	1,693,898,480	1,342,193,107	1,604,485,547	1,251,639,295
Reserves	9,712,994,131	9,507,501,835	9,691,821,898	9,486,124,773
Total equity attributable to equity holders	**22,742,017,001**	**22,184,819,332**	**22,631,431,835**	**22,072,888,459**
Non-controlling interest			-	
Total equity	**22,742,017,001**	**22,184,819,332**	**22,631,431,835**	**22,072,888,459**
Total liabilities and equity	**275,714,250,512**	**248,495,073,659**	**275,605,790,521**	**248,357,522,955**

Condensed Consolidated Statement of Profit or Loss and Comprehensive Income
For the First quarter ended Ashwin 31, 2083 (17.10.2026)

Amount in NPR

Particulars	Group				Bank			
	Current Year		Previous Year		Current Year		Previous Year	
	This Quarter	Up to This Quarter (YTD) Ashwin 31, 2083	Corresponding Previous Year This Quarter	Up to This Quarter (YTD) Ashwin 31, 2082	This Quarter	Up to This Quarter (YTD) Ashwin 31, 2083	Corresponding Previous Year This Quarter	Up to This Quarter (YTD) Ashwin 31, 2082
Interest income	3,482,905,345	3,482,905,345	3,745,944,008	3,745,944,008	3,481,892,228	3,481,892,228	3,744,074,157	3,744,074,157
Interest expense	2,212,839,151	2,212,839,151	2,424,396,628	2,424,396,628	2,212,171,457	2,212,171,457	2,425,415,412	2,425,415,412
Net interest income	**1,270,066,194**	**1,270,066,194**	**1,321,547,380**	**1,321,547,380**	**1,269,720,771**	**1,269,720,771**	**1,318,658,745**	**1,318,658,745**
Fee and commission income	414,771,483	414,771,483	375,866,769	375,866,769	404,291,482	404,291,482	362,167,370	362,167,370
Fee and commission expense	38,064,492	38,064,492	31,756,041	31,756,041	37,252,166	37,252,166	30,868,383	30,868,383
Net fee and commission income	**376,706,990**	**376,706,990**	**344,110,728**	**344,110,728**	**367,039,315**	**367,039,315**	**331,298,987**	**331,298,987**
Net interest, fee and commission income	**1,646,773,184**	**1,646,773,184**	**1,665,658,108**	**1,665,658,108**	**1,636,760,086**	**1,636,760,086**	**1,649,957,732**	**1,649,957,732**
Net trading income	108,883,149	108,883,149	51,153,861	51,153,861	111,486,413	111,486,413	60,574,311	60,574,311
Other operating income	17,614,763	17,614,763	53,489,960	53,489,960	17,614,763	17,614,763	53,489,960	53,489,960
Total operating income	**1,773,271,096**	**1,773,271,096**	**1,770,301,929**	**1,770,301,929**	**1,765,861,262**	**1,765,861,262**	**1,764,022,003**	**1,764,022,003**
Impairment charge/(reversal) for loans and other losses	184,033,831	184,033,831	287,577,046	287,577,046	184,033,831	184,033,831	287,577,046	287,577,046
Net operating income	**1,589,237,266**	**1,589,237,266**	**1,482,724,883**	**1,482,724,883**	**1,581,827,432**	**1,581,827,432**	**1,476,444,957**	**1,476,444,957**
Operating expense								
Personnel expenses	533,149,484	533,149,484	512,539,123	512,539,123	527,331,709	527,331,709	507,812,730	507,812,730
Other operating expenses	198,564,554	198,564,554	175,053,608	175,053,608	197,151,503	197,151,503	173,917,382	173,917,382
Depreciation & amortisation	75,038,070	75,038,070	79,631,652	79,631,652	73,883,395	73,883,395	78,967,337	78,967,337
Operating Profit	**782,485,158**	**782,485,158**	**715,500,500**	**715,500,500**	**783,460,825**	**783,460,825**	**715,747,508**	**715,747,508**
Non operating income	5,417,856	5,417,856	774,210	774,210	5,417,856	5,417,856	774,210	774,210
Non operating expense	-	-	-	-	-	-	-	-
Profit before income tax	**787,903,014**	**787,903,014**	**716,274,710**	**716,274,710**	**788,878,681**	**788,878,681**	**716,521,718**	**716,521,718**
Income tax expense								
Current Tax	237,151,883	237,151,883	217,708,548	217,708,548	236,663,604	236,663,604	214,956,515	214,956,515
Deferred Tax Income (Expenses)	-	-	-	-	-	-	-	-
Profit/(loss) for the period	**550,751,130**	**550,751,130**	**498,566,162**	**498,566,162**	**552,215,076**	**552,215,076**	**501,565,203**	**501,565,203**
Earnings per share:								
Basic earnings per share (Annualised)	-	19.44	-	17.59	-	19.49	-	17.70
Diluted earnings per share (Annualised)	-	19.44	-	17.59	-	19.49	-	17.70

Condensed Consolidated Statement of Comprehensive Income

Profit/(loss) for the period	550,751,130	550,751,130	498,566,162	498,566,162	552,215,076	552,215,076	501,565,203	501,565,203
Other Comprehensive Income/ (Expenses)	6,328,302	6,328,302	(3,905,116)	(3,905,116)	6,328,302	6,328,302	(3,905,116)	(3,905,116)
Total comprehensive Income	**557,079,433**	**557,079,433**	**494,661,046**	**494,661,046**	**558,543,379**	**558,543,379**	**497,660,087**	**497,660,087**
Profit attributable to:								
Equity holders of the Bank	557,079,433	557,079,433	494,661,046	494,661,046	558,543,379	558,543,379	497,660,087	497,660,087
Non-controlling interest	-	-	-	-	-	-	-	-
Total	**557,079,433**	**557,079,433**	**494,661,046**	**494,661,046**	**558,543,379**	**558,543,379**	**497,660,087**	**497,660,087**

Ratios as per NRB Directives

Particulars	Group				Bank			
	Current Year		Previous Year		Current Year		Previous Year	
	This Quarter	Up to This Quarter (YTD) Ashwin 31, 2083	This Quarter	Up to This Quarter (YTD) Ashwin 31, 2082	This Quarter	Up to This Quarter (YTD) Ashwin 31, 2083	This Quarter	Up to This Quarter (YTD) Ashwin 31, 2082
Capital fund to RWA		13.62%		14.32%		13.62%		14.32%
Tier 1 Capital to RWA		9.33%		9.58%		9.33%		9.58%
CET 1 Capital to RWA		9.33%		9.58%		9.33%		9.58%
Non-performing loan (NPL) to total loan		3.19%		3.01%		3.19%		3.01%
Total Loan Loss Provision to Total NPL		134.45%		133.32%		134.45%		133.32%
Cost of Funds		3.69%		4.42%		3.69%		4.42%
Credit to Deposit Ratio (As per NRB)		64.54%		67.87%		64.54%		67.87%
Average Base Rate (As per NRB)		5.08%		5.96%		5.08%		5.96%
Interest Rate Spread		3.06%		3.46%		3.06%		3.46%
Return on Equity (Annualized)		9.81%		9.53%		9.88%		9.64%
Return on Assets (Annualized)		0.84%		0.83%		0.84%		0.83%

Statement of Distributable Profit or Loss
For the First Quarter ended Ashwin, 2083 (17.10.2026)

Amount in NPR

Particulars	Current Year (Upto this Quarter YTD)	Previous Year (Corresponding Quarter YTD)
Net profit or (loss) as per statement of profit or loss	**552,215,076**	**501,565,203**
Appropriations:		
a. General reserve	110,443,015	100,313,041
b. Foreign exchange fluctuation fund	3,069,566	1,451,285
c. Capital redemption reserve	201,632,938	86,452,695
d. Corporate social responsibility fund	(6,745,212)	2,283,781
e. Employees' training fund	8,536,122	(948,251)
f. Investment Adjustment Reserve	-	6,064,828
g. Others	-	-
Profit or (loss) before regulatory adjustment	**235,278,647**	**305,947,825**
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(64,952,804)	(26,720,353)
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 (+)	11,224,457	(6,071,442)
e. Deferred tax assets recognised (-)/ reversal (+)	2,712,130	(1,673,621)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Acturial loss recognised (-)/reversal (+)	156,931,919	(3,905,116)
i. Other (+/-)	11,651,903	11,950,000
Net Profit Till First Quarter end available for distribution	**352,846,252**	**279,527,292**
Opening Retained Earning as on Shrawan 1	1,251,639,295	1,230,357,619
Adjustment (+/-)	-	-
Distribution:		
Bonus shares issued	-	-
Cash Dividend Paid	-	-
Total Distributable profit or (loss) as on Quarter end date	**1,604,485,547**	**1,509,884,911**
Annualised Distributable Profit/Loss per share	**23.49**	**20.72**

Disclosure for above financial statement prepared as per Nepal Financial Reporting Standards (NFRS)

1. The above figures may undergo change as per statutory audit and/ or as per direction of Nepal Rastra Bank.
2. The Bank's financial statements have been prepared based on Nepal Financial Reporting Standard.
3. The Bank has adopted NFRS 9 for ECL Model and presented in financial statement as per the Expected Credit Loss Related Guidelines, 2024 issued by NRB.
4. Recognition of interest income on Non-Performing loan and advances has been done as per Guidance Note on Interest Income Recognition, 2025 issued by NRB. However, for the purpose of interest income recognition for the reporting period, the Bank has applied coupon interest rate on principal outstanding for all loans and advances. Interest income has been recognized on accrual basis for loans and advances categorized under Stage 1 and Stage 2 and on cash basis (incremental) approach for loans and advances categorized under Stage 3.
5. Group includes Nepal SBI Bank Ltd. (NSBL, Parent Company) and Nepal SBI Merchant Banking Ltd. (NSMBL, Subsidiary Company) where intergroup transactions have been eliminated.
6. Figures have been regrouped/ rearranged wherever necessary for previous year corresponding quarter, however the financial position has been reflected as per local GAAP.
7. Employee bonus has been calculated as per provision of bonus act 2030 and included in personnel expenses.
8. Estimation of current quarter provision for gratuity and leave has been provided as per the bank's policy and as per the actuarial valuation.
9. The detailed interim financial results have also been published in bank's website: **nsbl.statebank**

FIRST QUARTER REPORT AT THE END OF ASHWIN, 2083 OF FY2083/84

(Published for the Purpose of Rule 26 (1) of the Securities Registration and Issue Regulation, 2073)

1. Financial Statements:

a. Statement of Financial Position and Statement of Profit or Loss as per Nepal Financial Reporting Standard: Published along with this report.

b. Related Party Transactions:

Parties are related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operation decisions, or one other party controls both. The definition includes subsidiaries, associates, directors, key management personnel etc.

Parent company

The parent company, State Bank of India holds 55% of the issued ordinary shares of the Bank, which is also the ultimate parent company.

State Bank of India (SBI) Group	Ashwin 31, 2083 (Rs. in '000')
Transaction during the quarter	
Technical Service Fees to SBI	23,372.77
Interest on placements with SBI Foreign Offices	332,895.39
Interest on Borrowing	Nil
Quarter End Balance	
Placements and Interest receivable from SBI Offices	32,851,228.20
Borrowing and Interest Payable to SBI Offices	Nil
Nostro Balances in SBI Offices	611,540.99
Card Transaction Payable to SBI	718.46

Subsidiary

Transactions between the Bank and its wholly owned subsidiary, Nepal SBI Merchant Banking Limited (NSMBL), also meet the definition of related party transactions. These transactions are eliminated on consolidation.

Subsidiary - Nepal SBI Merchant Banking Ltd. (NSMBL)	Ashwin 31, 2083 (Rs. in '000')
Transaction during the Quarter	
Interest Paid on Deposit to NSMBL	48.70
Other receivables from NSMBL	694.79
RTS, D-Mat Service Charge accrued and payable to NSMBL	2,763.93
Dividend received from NSMBL	0
Quarter End Balance	
Others payable to NSMBL	2,069.14
Deposit maintained with NSBL	35,447.14

Other Principal Promoter Representing in the Board (s)

Employee Provident Fund, Nepal holds 15% shares in the Bank and has a representation to the Bank's Board, is also considered to be the related party of the Bank.

Employee Provident Fund (EPF) Nepal	Ashwin 31, 2083 (Rs. in '000')
Quarter End Balance	
Deposits	5,194,653.21

Directors and other Key Management Personnel (KMP)

The Bank's Directors, Key Management Personnel and persons connected with them, are also considered to be related parties for disclosure purposes. Personnel representing the Central Management Committee (CENMAC) are considered as KMP.

Transaction during the Quarter (Allowances and Expenses)	Ashwin 31, 2083 (Rs. in '000')
Board Meetings	306.00
Audit Committee Meetings	
Risk Management Committee Meetings	
Employee Service Facility Committee Meetings	
Asset (money) Laundering Prevention Committee	
Food, Lodging Expenses for Board level Meetings	227.64
Travelling & Halting Expenses for Board level Meetings	
Expenses/ allowance to Directors for Newspaper, Telephone and other expenses	

Key Management Personnel

There is no observation of the transactions between the Bank and Key Management Personnel other than as prescribed under staff service byelaws and relating to remuneration.

Salary to the key management personnel deputed from State Bank of India (SBI), is borne by State Bank of India (SBI), the parent company under the "Technical Service Agreement (TSA)" entered with the Bank which is approved by the Nepal Rastra Bank (NRB) and these key management personnel are also provided with living, medical and other related facilities as per TSA.

c. Major Financial Ratios:

Financial ratios			
Per Share Net worth	199.66	PE Ratio	22.19
Per Share Total Assets Value	2,431.43	Liquidity Ratio	40.49%
Earnings Per Share (Annualized)	19.49		

2. Managerial Analysis

a. Changes in stock/reserve, income and liquidity of the Institution during the quarter, details for the reasons thereof.

i. **Stock/Reserve:** N/A

ii. **Income:** Net Profit of Rs. 55.22 Crore has been registered up to the first quarter of the Fiscal Year 2083/84 compared to Rs. 50.16 Crore in the same period last Fiscal Year 2082/83.

iii. **Liquidity:** Liquidity position of the bank is satisfactory.

b. Management Analysis for future business plan:

i. Bank has formulated a short term, medium term and long-term strategy covering to FY 2087/88 for 5 years. Bank has also formulated annual business plan for FY 2083/84. Accordingly, Bank's performance is being monitored and reviewed periodically.

ii. To tap the opportunities our Bank's network has spread over the country covering 54 districts with a total of 155 Outlets and 126 ATMs. The outlets include 104 Branches, 22 Extension Counters, 7 Provincial Offices, 21 Branchless Banking Outlets and Corporate Office. This wide presence helps us to provide better services to the customers and increases Bank's reach.

3. Legal Proceedings:

a. Lawsuits filed by/against the Bank: Nineteen lawsuits have been filed against the Bank, and No lawsuits have been filed by the Bank in respect of general matters during the quarter.

b. Lawsuits filed by the Bank against different defaulting borrowers/guarantors for recovery of its dues: Three lawsuits have been filed by the Bank against defaulting borrowers/guarantors for recovery of its dues during the quarter.

c. Lawsuits filed by/against the Promoter or director of the Bank involving violation of statutory regulations or criminal offences: No information has been received by the bank till date.

d. Case filed against any Promoter/Director for financial frauds: No information has been received by the bank till date.

4. Analysis of Stock Performance:

a. Management view on share transactions of the Organized Institution taken place at Securities Market. As the Nepal Stock Exchange is operating under the supervision of Securities Board of Nepal, management has no comment on the same.

b. Maximum, minimum, and closing share price of organized Institution including total transacted number of shares and transacted days during quarter:

High Share Price	Rs. 435.00	Total no. of transactions	5,081
Low Share Price	Rs. 380.00	Total Transacted no. of days	61
Close Share Price	Rs. 432.50	Total Traded number of Shares	2,954,031

5. Problems and Challenges:

a. Problems and Challenges Faced:

i. External:

- Deceleration in economic activity alongside volatile and excess liquidity positions within the banking system.
- Limited avenue for long term Lending & Investment.
- Challenges to onboard and book quality assets.
- Challenges induced by global political tension, fuel price hikes and other global and its pressure on recovery.
- Challenges due to natural disasters and disrupted business activities.

ii. Internal:

- Maintaining/Improving Non-interest Income.
- Maintaining consistency in Return on Equity amidst increase in capital.
- Rationalization of cost of operation.
- Challenges for timely recovery of loans & advances.
- Retention of Skilled Manpower

b. Strategy followed by the management in solving such problems and challenges:

- Increased focus on Retail loan portfolio.
- Augmentation in liability products with focus on low-cost deposits.
- Introduction of Alternate Channels/technological platforms to reduce cost.
- Focus on improvement of non-interest income areas.
- Regular In-House training to staff to enhance work performance.
- Good industrial relations.
- Rationalization of expansion plans.
- Focus on regularization of stressed accounts.

6. Corporate Governance:

a. The Bank has been fully complying with the directives, guidelines issued by NRB regarding Corporate Governance.

b. Central Management Committee (CENMAC) and Good Governance Committee (GGC) reviews progress in various areas of operations and is conducted on regular basis.

c. Board of Directors and its Committees' meeting are conducted on a regular basis.

d. Assets and Liabilities Committee (ALCO) and Risk Management Committee (Operation risk, Credit risk and Market risk) meetings are conducted regularly.

7. Declaration of Chairman/Chief Executive on truthfulness and correctness:

I, as on date, personally take responsibility on the truthfulness of the information and description presented in this report. Further, I declare that as far as I know and understand, the descriptions in this report are true, fair, and complete and have not concealed any necessary particulars, notices and information to the investors to take informed decision.

Managing Director & CEO

(सूचनाको हक सम्बन्धि ऐन, २०६४ को दफा ५ को उपदफा (३) बमोजिमको आ.व. २०८३/८४ को पहिलो त्रयमाश - आश्विन २०८३) को विवरण बैंकको वेवसाइट **nsbl.statebank** मा प्रकाशन गरिएको व्यहोरा जानकारी गराँउदछौं ।)

नेपाल एसबिआई बैंक लिमिटेड
NEPAL SBI BANK LTD.
THE MOST PREFFERED BANK FOR A TRANSFORMING NEPAL

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