मितिः २०८३/०७/१६

श्री नेपाल स्टक एक्सचेन्ज लि.
सिंहदरवारप्लाजा, काठमाडौं ।

विषयः त्रैमासिक प्रतिवेदन पठाइएको बारे ।

महोदय,

उपर्युक्त विषयमा यस बैंकको (लेखापरीक्षण हुन बाँकी) पहिलो त्रैमासिक (२०८३ साउन-असोज) प्रतिवेदन मिति २०८३/०७/१५गते आइतबारको कारोबार दैनिकमा प्रकाशित भएको व्यहोरा जानकारी गराउँदै प्रतिवेदन यसै पत्र साथ संलग्न राखी पठाइएको व्यहोरा अनुरोध गर्दछौं ।

सहयोग एवं मार्गदर्शनका लागि धन्यवाद् ।

भवदीय,

आधिकारिक दस्तखत

स्टान्डर्ड चार्टर्ड बैंक नेपाल लिमिटेड
Standard Chartered Bank Nepal Limited

Standard Chartered Bank Nepal Limited
("Ka" Class Institution Licensed by NRB)
Tel : 977-1-5970500
A Standard Chartered Group Member
The Registered Office of Standard Chartered Bank Nepal Limited is at
Kathmandu Metropolitan City, ward no. 31, (Madan Bhandari Marg), Naya Baneshwor, Kathmandu, Nepal
G.P.O Box 3990
www.sc.com.np

Standard Chartered Bank Nepal Limited

Naya Baneshwore, Kathmandu

Condensed Consolidated Statement of Financial Position

As on Quarter ended 31 Ashwin 2083 (17 Oct 2026)

NPR in '000

Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	55,398,498	56,181,712
Due from Nepal Rastra Bank	5,008,867	4,865,039
Placement with Bank and Financial Institutions	20,004,430	19,181,525
Derivative financial instruments	291,198	86,222
Other trading assets		
Loan and advances to B/FIs	3,529,693	4,043,548
Loans and advances to customers	67,223,711	66,100,195
Investment securities	27,291,462	27,682,168
Current tax assets		245,892
Investment in subsidiaries		
Investment in associates		
Investment property		
Property and equipment	269,625	269,582
Goodwill and Intangible assets		
Deferred tax assets	87,870	125,232
Other assets	1,516,338	1,741,129
Total Assets	**180,921,693**	**180,522,245**
Liabilities		
Due to Bank and Financial Institutions	2,653,346	2,759,986
Due to Nepal Rastra Bank		
Derivative financial instruments	1,930	84,943
Deposits from customers	149,385,120	147,683,924
Borrowing		
Current Tax Liabilities	160,252	
Provisions		
Deferred tax liabilities		
Other liabilities	2,950,668	4,871,281
Debt securities issued	2,462,985	2,523,939
Subordinated Liabilities		
Total liabilities	**157,614,300**	**157,924,073**
Equity		
Share capital	10,042,368	10,042,368
Share premium		
Retained earnings	2,228,206	1,812,409
Reserves	11,036,818	10,743,394
Total equity attributable to equity holders	**23,307,393**	**22,598,172**
Non-controlling interest		
Total equity	**23,307,393**	**22,598,172**
Total liabilities and equity	**180,921,693**	**180,522,245**

Condensed Consolidated Statement of Profit or Loss

For the Quarter ended 31 Ashwin 2083 (17 Oct 2026)

NPR in '000

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Interest income	1,897,141	1,897,141	1,977,443	1,977,443
Interest expense	867,262	867,262	904,993	904,993
Net interest income	**1,029,880**	**1,029,880**	**1,072,450**	**1,072,450**
Fee and commission income	437,805	437,805	484,416	484,416
Fee and commission expense	128,609	128,609	68,061	68,061
Net fee and commission income	**309,196**	**309,196**	**416,355**	**416,355**
Net interest, fee and commission income	**1,339,075**	**1,339,075**	**1,488,805**	**1,488,805**
Net trading income	294,832	294,832	191,502	191,502
Other operating income	381	381	1,350	1,350
Total operating income	**1,634,289**	**1,634,289**	**1,681,658**	**1,681,658**
Impairment charge/(reversal) for loans and other losses	(64,249)	(64,249)	178,617	178,617
Net operating income	**1,698,538**	**1,698,538**	**1,503,040**	**1,503,040**
Operating expense				
Personnel expenses	412,932	412,932	348,821	348,821
Other operating expenses	170,916	170,916	130,703	130,703
Depreciation & Amortisation	32,326	32,326	34,140	34,140
Operating Profit	**1,082,364**	**1,082,364**	**989,377**	**989,377**
Non operating income	3,090	3,090	3,476	3,476
Non operating expense	11,409	11,409	4,040	4,040
Profit before income tax	**1,074,045**	**1,074,045**	**988,813**	**988,813**
Income tax expense	**402,601**	**402,601**	**296,644**	**296,644**
Current Tax	402,601	402,601	296,644	296,644
Deferred Tax				
Profit/ (Loss) for the period	**671,444**	**671,444**	**692,169**	**692,169**
Condensed Consolidated Statement of Other Comprehensive Income				
Profit/(loss) for the period	671,444	671,444	692,169	692,169
Other Comprehensive Income	37,777	37,777	1,825	1,825
Total Comprehensive Income	**709,221**	**709,221**	**693,994**	**693,994**
Basic earnings per share		26.74		27.57
Diluted earnings per share		26.74		27.57
Profit attributable to:				
Equity holders of the Bank	709,221	709,221	693,994	693,994
Non-controlling interest				
Total	**709,221**	**709,221**	**693,994**	**693,994**

Statement of Distributable Profit or Loss

For the Quarter ended 31 Ashwin 2083 (17 Oct 2026)

(As per NRB Regulation)

NPR in '000

Particulars	Current Year Upto this Quarter YTD	Previous Year Corresponding Quarter YTD
Net profit or (loss) as per statement of profit or loss	**671,444**	**692,169**
Appropriations		
a. General reserve	*(134,289)*	*(138,434)*
b. Foreign exchange fluctuation fund		*(44)*
c. Debenture redemption reserve	*(120,000)*	*(120,000)*
d. Corporate social responsibility fund	*(6,714)*	*(6,922)*
e. Employees' training fund	*(4,552)*	
f. Other		
Profit or (loss) before regulatory adjustment	**405,889**	**426,769**
Regulatory adjustment		
a. Interest receivable (-)/previous accrued interest received (+)	*9,908*	*(12,087)*
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 (-)/reserval (+)		
e. Deferred tax assets recognised (-)/ reversal (+)		
f. Goodwill recognised (-)/ impairment of Goodwill (+)		
g. Bargain purchase gain recognised (-)/reserval (+)		
h. Actuarial loss recognised (-)/reversal (+)		
i. Other		
Net Profit for the quarter ended on 31 Ashwin 2083 available for distribution	**415,797**	**414,683**
Opening Retained Earning as on Shrawan 1, 2083	1,812,409	1,996,365
Adjustment (+/-)		
Distribution:		
Bonus shares issued		
Cash Dividend Paid		
Total Distributable profit or (loss) as on quarter end date	**2,228,206**	**2,411,048**
Annualised Distributable Profit/Loss per share	34.61	36.40

Ratios as per NRB directive

Ratios	Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Capital Fund to RWA		19.01%		18.60%
Tier 1 Capital to RWA		17.61%		16.58%
CET 1 Capital to RWA		17.61%		16.58%
Non-Performing Loan (NPL) to Total Loans		1.83%		1.71%
Total Loan Loss Provision to Total NPL		142.59%		154.38%
Cost of Funds		2.37%		2.89%
Credit to Deposit (CD) Ratio		47.21%		65.15%
Base Rate		3.94%		4.27%
Interest Rate Spread		3.68%		3.63%
Return on Equity (ROE)		11.70%		12.57%
Return on Assets (ROA)		1.49%		1.74%

(b) Key Financial Indicators

Earnings per share (Annualised) (NPR)	26.7
P/E Ratio	25.4
Net Worth per Share (NPR)	232.1
Total Assets to No. of Shares (NPR)	1,801.6
Liquid Assets to Total Deposits (%)	62.6

Explanatory Notes:

1. Loans & advances includes loans to BFIs, customers and staff. The fair value of loans & advances is the carrying amount using effective interest rate method. Impairment on loans & advances is calculated at the higher of NRB directive 2 and ECL as per NFRS 9. Loans & advances is calculated as the summation of loan outstanding and accrued interest on these loans less impairment provisions, unamortized fee, unamortized deferred benefits if any.
2. Investment in securities have been marked to market using NFRS 13 input value and has been measured at Fair Value Through Other Comprehensive Income.
3. Effective Interest rate and latest ECL guidelines has been considered for recognition of interest income.
4. Personnel Expenses includes staff bonus and staff benefits amortization.
5. Immediate previous year ending figures in Statement of Financial Position are audited.
6. Regulatory adjustments includes accrued interest receivable on loans and advances.
7. The above figures are subject to change as per the instructions and directions from Nepal Rastra Bank /Statutory Auditors.
8. Detailed interim report has been published on the bank's website.

1. Financial Statements: published as part of this report

(a)Related Party Disclosures: The Bank, being a subsidiary of an international bank, avails support services from its global support functions governed by approved agreements. Foreign currency funds are mainly placed with Standard Chartered Bank (SCB) network points. These funds are under the management of Standard Chartered Group with high governance and acceptable country risks and returns.

Transaction during the period (NPR in '000)	1 Shrawan 2083 to 31 Ashwin 2083
Interest on placements	334,409
Shared Service Center Costs	29,632

Period end Balance (NPR in '000)	31 Ashwin 2083
Placements	35,861,054
Nostro Balances	1,068,455
Interest Receivable	404,574
Trade Contingents	25,827,862
Fee Income Receivables	58,635

Transactions with and payments to directors of the bank

Following payments have been made to the directors of the bank

Particulars (NPR in '000)	1 Shrawan 2083 to 31 Ashwin 2083
Directors' sitting fees	141
Directors' travel and meeting expenses	905
Remuneration and bonus of the executive director	3,440
Other benefits of the executive director	9,492

2. Management Analysis:

(a) Bank's capital and liquidity position continues to be strong.

(b) Income momentum for the current period over corresponding period of last year has declined owing to muted credit momentum and declining yields. Bank has continued its effort to optimize balance sheet and returns. Quality of Balance Sheet remains robust.

(c) The liquidity supply in the system has been abundant during the quarter. There is ample lendable headroom in the market at the prevailing level of CD ratio while deposit rates are decreasing. Overall lending rates are gradually decreasing in line with reduced Base Rate of the Bank. ALCO has been actively managing liquidity and interest rate risks in the Balance Sheet.

(d) The Bank follows prudent approach in its business plans to protect all stakeholders' value and ensure consistent sustainable performance.

3. Legal proceeding details

(a) Case filed by or filed against the Bank during the quarter:
Except for the lawsuits in normal course of banking business there are no material cases filed by or against the Bank.

(b) Case relating to disobedience of prevailing law or commission of criminal offence filed by or against the Promoter or Director of Organized Institution:
No such information has been received.

(c) Case relating to commission of financial crime filed against any Promoter or Director.
No such information has been received.

4. Analysis of share transaction and progress of Organized Institution

(a) Management view on share transaction happened at Securities Market.
Since price and transactions of the Bank's shares are determined by the open share market operations through a duly established Stock Exchange, management view on this is neutral.

(b) Maximum, minimum and closing share price including total number of shares traded and transacted days during this quarter:
Maximum- NPR 689.8, Minimum- NPR 618.5, Closing- NPR 679, Total number of shares traded 674,823 and Transacted days 61.

5. PROBLEMS AND CHALLENGES:

INTERNAL

1. Stringent underwriting criteria & limited opportunities for credit growth
2. Managing surplus liquidity and idle capital in the context of slower economic momentum

EXTERNAL

1. Net Interest Spread Cap
2. Excess liquidity situation in the market
3. Sluggish economic growth coupled with rising costs due to recent inflationary pressure
4. Geopolitical tension in the Middle East and economic uncertainty

STRATEGY

1. To enhance the management of return metrics, prioritize the expansion of non-interest income streams.
2. Sustained emphasis on robust risk management, prioritizing the allocation of funding to productive sectors
3. Progressive approaches to risk participation
4. Prudent management of balance sheet with a focus on low-cost funding sources
5. Maintain emphasis on advancing and innovating products and services, as well as launching new digital solutions
6. Process automation and integrating artificial intelligence solutions
7. Foster an inclusive organizational culture, prioritize employee wellbeing, and create platforms for development opportunities within human resources

6. CORPORATE GOVERNANCE

- The **Board** of Standard Chartered Bank Nepal Limited is responsible and accountable to the shareholders and ensures that proper corporate governance standards are maintained.
- The **Audit Committee** meets quarterly to review the internal and external inspection reports, control and compliance issues and provide feedback to the Board as appropriate.
- The **EXCO** (Executive Committee) represented by all segments, products and functions heads, is the apex body managing the day-to-day operations of the Bank.
- Responsibility of **Risk Management** rests with the Board supported by Risk Committee, Audit Committee, AML Committee, EXCO, Asset Liability Committee and Executive Risk Committee.
- We adopt **Standard Chartered Code of Conduct**, which builds on our values and our brand promise, guiding us to the standards required to help us prove that we are **Here for good**.

7. Declaration of Chief Executive on truthfulness and correctness

I, as at the date, hereby individually accept responsibility for the accuracy of the information and details contained in the report. I also hereby declare that to the best of my knowledge and belief the information contained in this report is true, accurate and complete and there are no other matters concealed, the omission of which shall adversely affect informed investment decisions by the investors.

Chief Executive Officer