Siddhartha Bank Limited
Unaudited Financial Results
(4th Quarter of Fiscal Year 2082/83)

Condensed Consolidated Statement of Financial Position

Amount in NPR

	Group		Bank	
	This Quarter Ending	Immediate Previous Year Ending (Audited)	This Quarter Ending	Immediate Previous Year Ending (Audited)
Assets				
Cash and cash equivalent	30,227,750,078	30,796,901,868	30,225,205,991	30,739,759,143
Due from Nepal Rastra Bank	15,785,408,537	14,875,796,713	15,785,408,537	14,875,796,713
Placements with Bank and Financial Institutions	16,438,100,794	7,405,231,218	16,438,100,794	7,405,231,218
Derivative financial instruments	27,990,195	15,995,407	27,990,195	15,995,407
Other trading assets	141,201,197	250,375,488	-	200,625
Loan and advances to B/FIs	8,785,342,157	8,098,097,875	8,785,342,157	8,098,097,875
Loans and advances to customers	233,885,005,122	214,471,321,149	233,872,635,253	214,456,490,823
Investment securities	75,442,784,924	54,889,028,906	75,187,272,678	54,719,357,052
Current tax assets	195,883,610	232,694,663	194,959,775	222,830,637
Investment in subsidiaries	-	-	51,000,000	51,000,000
Investment in associates	-	-	-	-
Investment property	893,652,365	725,635,232	893,652,365	725,635,232
Property and equipment	2,894,318,598	3,219,416,537	2,875,071,393	3,201,785,434
Goodwill and Intangible assets	119,403,173	122,793,048	115,980,570	117,948,376
Deferred tax assets	-	-	-	-
Other assets	5,325,804,160	4,215,842,403	5,280,197,589	4,181,218,594
Total Assets	**390,162,644,909**	**339,319,130,508**	**389,732,817,297**	**338,811,347,130**
Liabilities				
Due to Bank and Financial Institutions	4,477,738,128	3,092,528,164	4,477,738,128	3,092,528,164
Due to Nepal Rastra Bank	313,538,230	391,922,787	313,538,230	391,922,787
Derivative financial instruments	66,167,753	19,709,982	66,167,753	19,709,982
Deposits from customers	326,609,304,537	280,004,522,783	327,016,400,520	280,321,367,829
Borrowing	2,445,931,194	5,839,097,142	2,445,931,194	5,839,097,142
Current Tax Liabilities	-	-	-	-
Provisions	-	-	-	-
Deferred tax liabilities	345,700,535	481,065,018	342,829,680	478,302,259
Other liabilities	6,511,124,050	6,404,043,943	6,150,012,918	6,040,433,137
Debt securities issued	12,000,000,000	11,662,559,000	12,000,000,000	11,662,559,000
Subordinated Liabilities	-	-	-	-
Total liabilities	**352,769,504,428**	**307,895,448,820**	**352,812,618,424**	**307,845,920,300**
Equity				
Share capital	18,294,479,199	14,089,980,190	18,294,479,199	14,089,980,190
Ordinary shares	14,794,479,199	14,089,980,190	14,794,479,199	14,089,980,190
Perpetual Non-Cumulative Preference Share	3,500,000,000	-	3,500,000,000	-
Share premium	-	-	-	-
Retained earnings	1,822,094,718	1,951,104,307	1,705,671,173	1,837,866,593
Reserves	17,019,835,177	15,133,062,311	16,920,048,501	15,037,580,047
Total equity attributable to equity holders	**37,136,409,093**	**31,174,146,808**	**36,920,198,873**	**30,965,426,830**
Non-controlling interest	256,731,388	249,534,881	-	-
Total equity	**37,393,140,482**	**31,423,681,689**	**36,920,198,873**	**30,965,426,830**
Total liabilities and equity	**390,162,644,909**	**339,319,130,508**	**389,732,817,297**	**338,811,347,130**

Condensed Consolidated Statement of Profit or Loss

Amount in NPR

Particulars	Group				Bank			
	Current Year		Previous Year Corresponding		Current Year		Previous Year Corresponding	
	This Quarter	Up To This Quarter (YTD)	This Quarter	Up To This Quarter (YTD)	This Quarter	Up To This Quarter (YTD)	This Quarter	Up To This Quarter (YTD)
Interest income	5,593,314,909	21,059,302,347	5,546,893,772	22,324,800,070	5,594,828,129	21,054,091,973	5,545,653,039	22,312,131,883
Interest expense	3,068,369,113	11,998,229,437	3,439,483,676	13,868,450,418	3,072,513,822	12,002,903,217	3,441,997,328	13,872,271,708
Net interest income	**2,524,945,796**	**9,061,072,910**	**2,107,410,095**	**8,456,349,652**	**2,522,314,308**	**9,051,188,756**	**2,103,655,711**	**8,439,860,175**
Fees and commission income	731,132,721	2,649,815,503	591,874,285	2,299,852,097	671,612,725	2,443,962,548	545,343,612	2,097,288,147
Fees and commission expense	168,275,167	607,164,898	124,335,177	543,526,232	163,699,928	579,271,858	119,276,418	512,924,742
Net fee and commission income	**562,857,554**	**2,042,650,605**	**467,539,108**	**1,756,325,866**	**507,912,797**	**1,864,690,690**	**426,067,194**	**1,584,363,406**
Net interest, fee and commission income	**3,087,803,350**	**11,103,723,515**	**2,574,949,202**	**10,212,675,518**	**3,030,227,105**	**10,915,879,445**	**2,529,722,906**	**10,024,223,581**
Net trading income	171,310,100	511,927,251	243,661,580	438,739,311	199,751,704	518,283,074	229,612,648	424,240,090
Other operating income	41,440,548	619,689,653	222,564,178	663,354,620	42,063,635	617,500,159	221,838,787	650,178,566
Total operating income	**3,300,553,998**	**12,235,340,419**	**3,041,174,960**	**11,314,769,449**	**3,272,042,444**	**12,051,662,678**	**2,981,174,341**	**11,098,642,237**
Impairment charge/(reversal) for loan and other losses	(269,051,487)	1,766,436,180	(841,132,984)	1,375,321,982	(269,051,487)	1,766,436,180	(841,132,984)	1,375,321,982
Net operating income	**3,569,605,485**	**10,468,904,239**	**3,882,307,943**	**9,939,447,467**	**3,541,093,931**	**10,285,226,498**	**3,822,307,325**	**9,723,320,255**
Operating expense								
Personnel expense	1,027,918,179	3,595,482,702	929,890,822	3,305,645,125	1,014,825,234	3,532,336,566	910,531,625	3,240,211,108
Other operating expense	28,602,786	1,145,180,341	29,302,696	1,039,312,047	19,501,254	1,112,864,799	21,389,978	1,008,428,906
Depreciation & Amortisation	294,760,795	490,048,823	305,924,351	511,285,578	291,232,711	477,304,848	302,834,724	499,833,902
Operating Profit	**2,218,323,725**	**5,238,192,373**	**2,617,190,077**	**5,083,204,717**	**2,215,534,733**	**5,162,720,285**	**2,587,550,998**	**4,974,846,341**
Non operating income	2,612,954	10,365,456	6,221,762	16,233,057	2,606,359	10,102,511	6,193,114	16,190,574
Non operating expense	28,083,745	73,333,199	926,504	7,912,459	28,083,745	73,333,199	926,504	7,912,459
Profit before income tax	**2,192,852,935**	**5,175,224,630**	**2,622,485,336**	**5,091,525,315**	**2,190,057,348**	**5,099,489,596**	**2,592,817,608**	**4,983,124,455**
Income tax expense								
Current Tax	699,381,373	1,625,020,228	915,561,781	1,668,878,088	698,542,697	1,593,119,718	920,078,793	1,642,125,161
Deferred Tax	(13,039,919)	(13,039,919)	(11,730,277)	(11,730,277)	(13,039,919)	(13,039,919)	(25,594,987)	(25,594,987)
Profit for the period	**1,506,511,481**	**3,563,244,321**	**1,718,653,833**	**3,434,377,505**	**1,504,554,570**	**3,519,409,797**	**1,698,333,802**	**3,366,594,282**
Condensed Consolidated Statement of Comprehensive Income								
Profit or loss for the period	1,506,511,481	3,563,244,321	1,718,653,833	3,434,377,505	1,504,554,570	3,519,409,797	1,698,333,802	3,366,594,282
Other Comprehensive Income	(147,772,777)	(285,209,627)	35,218,800	97,299,988	(147,772,777)	(285,461,852)	33,789,528	93,138,281
Total Comprehensive Income	**1,358,738,704**	**3,278,034,694**	**1,753,872,634**	**3,531,677,493**	**1,356,781,793**	**3,233,947,946**	**1,732,123,330**	**3,459,732,563**
Basic earnings per share	38.79	23.11	45.33	22.90	38.76	23.06	45.05	22.76
Diluted earnings per share	38.79	23.11	45.33	22.90	38.76	23.06	45.05	22.76
Profit attributable to:								
Equity holders of the Bank	1,357,779,817	3,241,438,187	1,743,840,225	3,484,554,227	1,356,781,793	3,233,947,946	1,732,123,330	3,459,732,563
Non-Controlling Interest	958,887	36,596,507	10,032,409	47,123,266	-	-	-	-
Total	**1,358,738,704**	**3,278,034,694**	**1,753,872,634**	**3,531,677,493**	**1,356,781,793**	**3,233,947,946**	**1,732,123,330**	**3,459,732,563**

Ratios as per NRB Directives

Particulars	Group				Bank			
	Current Year		Previous Year Corresponding		Current Year		Previous Year Corresponding	
	This Quarter	Up To This Quarter (YTD)	This Quarter	Up To This Quarter (YTD)	This Quarter	Up To This Quarter (YTD)	This Quarter	Up To This Quarter (YTD)
Capital Fund to RWA	13.20%	13.20%	11.78%	11.78%	13.19%	13.19%	11.77%	11.77%
Tier-I capital to RWA	10.89%	10.89%	9.88%	9.88%	10.88%	10.88%	9.87%	9.87%
CET I Capital to RWA	9.71%	9.71%	9.88%	9.88%	9.70%	9.70%	9.87%	9.87%
Non-Performing Loan (NPL) to Total Loan	3.53%	3.53%	2.62%	2.62%	3.53%	3.53%	2.62%	2.62%
Net Non-Performing Loan to Total Loan	1.06%	1.06%	0.66%	0.66%	1.06%	1.06%	0.66%	0.66%
Total loan loss provision to Total NPL	104.69%	104.69%	125.32%	125.32%	104.69%	104.69%	125.32%	125.32%
Cost of Funds	3.42%	3.42%	4.39%	4.39%	3.42%	3.42%	4.39%	4.39%
Credit to Deposit Ratio	73.63%	73.63%	76.92%	76.92%	73.63%	73.63%	76.92%	76.92%
Base Rate (monthly)	5.02%	5.02%	6.42%	6.42%	5.02%	5.02%	6.42%	6.42%
Interest Rate Spread	3.69%	3.69%	3.98%	3.98%	3.69%	3.69%	3.98%	3.98%
Return on Equity (Annualized)	17.87%	10.75%	22.26%	11.56%	17.84%	10.62%	22.14%	11.41%
Return on Assets (Annualized)	1.58%	0.95%	2.07%	1.08%	1.57%	0.94%	2.04%	1.06%

Notes:

1. The above figures are subject to change as per the direction of the regulators and/or statutory auditor.
2. The figures for previous year quarter have been restated and regrouped wherever necessary.
3. Loans and advances include accrued interest receivable & staff loans and are presented net of impairment charges.
4. In accordance with NFRS 9- Expected Credit Loss Related Guidelines, 2024 issued by Nepal Rastra Bank, impairment charge on loans and advances has been measured at higher amount derived as per existing regulatory provisions in Unified Directives and ECL calculation methodology.
5. Recognition of interest income is based upon Guidance Note on Interest Income Recognition, 2025 issued by Nepal Rastra Bank.
6. Perpetual non cumulative preference share has been excluded while computing earnings per share, net worth per share, total assets value per share and return on equity.
7. Provision for Gratuity and Leave encashment have been provided for as per actuarial valuation.
8. Lease contract have been accounted for as per NFRS 16.
9. Average base rate of preceeding three months of the Bank as of Ashad 2083 is 5.05%.
10. Group financial statements include Siddhartha Bank Limited (Parent Company) and Siddhartha Capital Limited (Subsidiary Company) and all intra group transactions are conducted on arm's length basis.
11. Detailed interim report has been published in Bank's website (www.siddharthabank.com).

Statement of Distributable Profit

Amount in NPR

Particulars	Bank	
	Current Year (Upto this Qtr YTD)	Previous Year (Upto this Qtr YTD)
Net profit or (loss) as per statement of profit or loss	**3,519,409,797**	**3,366,594,282**
Appropriations:		
a. General reserve	(703,924,830)	(769,292,793)
b. Foreign exchange fluctuation fund	(33,788,220)	(13,270,673)
c. Capital redemption reserve	(1,100,000,000)	(1,460,426,500)
d. Corporate social responsibility fund	2,781,883	(4,569,840)
e. Employees' training fund	-	-
f. Other		
i) Investment adjustment reserve		(30,000,000)
ii) Transfer of realised gain/(loss) up to previous year on equities/mutual funds measured at fair value through OCI sold/matured during the year from fair value reserve	214,353	479,869,682
Profit or (loss) before regulatory adjustment	**1,684,692,984**	**1,568,904,158**
Regulatory adjustments:		
a. Interest receivable (-)/previous accrued interest received (+)	(91,419,495)	331,730,735
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 (+)	(83,622,127)	97,220,555
e. Deferred tax assets recognised (-)/ reversal (+)	(13,039,919)	(25,594,987)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	(22,994,987)	(151,156,276)
i. Other (Interest Capitalized Term Loan)	(14,547,922)	-
Net Profit for the Qtr end Ashad 2083 available for distribution	**1,459,068,533**	**1,821,104,184**
Dividend of perpetual non cumulative preference shares for the Qtr end Ashad 2083	(107,589,041)	-
Opening Retained Earning as on Shrawan 1, 2082	**1,837,866,593**	**580,361,617**
Adjustment (+/-) :	-	-
Distribution:		
Bonus shares issued	(704,499,009)	-
Cash dividend paid	(779,175,904)	(563,599,208)
Total Distributable profit or (loss) as on Qtr end date	**1,705,671,173**	**1,837,866,593**
Annualised Distributable Profit/Loss per share (Equity shares)	**11.53%**	**13.04%**
Transfer from Capital Redemption Reserve to Capital Adjustment Reserve*	2,162,559,000	-
Total available distributable Profit including Capital Adjustment Reserve*	**3,868,230,173**	**1,837,866,593**
Total available Annualised distributable Profit/Loss Per share (Equity shares)*	**26.15%**	**13.04%**

Notes of Statement of Distributable Profit:

1. Annualised distributable profit per share (Equity shares) has been calculated after deducting proportionate dividend to preference shareholders issued this year.

* Debenture of NPR 2,162,559,000 matured on 28th Poush 2082. Upon maturity, corresponding Capital Redemption Reserve created for redemption has been transferred to Capital Adjustment Reserve. Accordingly, the Bank has additionally disclosed total available distributable profit including Capital Adjustment Reserve. This reserve is available solely for the distribution of bonus shares.

Information about reportable segments

The Bank has identified the key segments of business on the basis of nature of operations that assist the Executive Committee of the bank in decision making process and to allocate the resources. It will help the management to assess the performance of the business segments. The business segments identified are Banking (including loans, deposits and trade operations), Digital Payments, International Remittance Business and Treasury. Treasury Department acts as the fund manager of the Bank.

Particulars	International Remittance Business		Treasury		Banking		Total	
	Current Quarter	Corresponding Previous Year Quarter	Current Quarter	Corresponding Previous Year Quarter	Current Quarter	Corresponding Previous Year Quarter	Current Quarter	Corresponding Previous Year Quarter
Revenues from external customers	72,245,240	76,113,985	4,668,988,593	4,257,835,512	19,902,706,431	21,166,079,764	24,643,940,264	25,500,029,262
Intersegment revenues	338,059,066	326,903,917	83,019,531	126,242,083	7,540,152,257	7,978,014,219	7,961,230,855	8,431,160,219
Segment Profit (loss) before tax	112,165,952	102,616,129	2,343,480,615	2,291,815,000	2,643,843,029	2,588,693,326	5,099,489,596	4,983,124,455
Segment assets	7,035,176,157	5,435,964,105	5,218,094,757	5,609,561,492	377,479,546,383	327,765,821,533	389,732,817,297	338,811,347,130
Segment liabilities	6,923,010,204	5,333,347,976	2,874,693,263	2,839,502,787	379,935,113,830	330,638,496,368	389,732,817,297	338,811,347,130

Publication of Information as Required by Securities Registration and Issuance Regulation 2073 (Related to Sub Rule (1) of Rule 26)

1. a) Related Party Disclosure

Group comprises of Siddhartha Bank Ltd. (Parent Co.) and Siddhartha Capital Ltd. (Subsidiary Co.). The Bank has 51% shareholding in Siddhartha Capital Limited (SCL) and SCL is licensed as a Mutual Fund Manager and Depository from Securities Board of Nepal (SEBON) as per Mutual Fund Regulation 2010 and also obtained the license for merchant banking business from SEBON in 2015. The Bank has appointed subsidiary as its Registrar to Share.

- The Bank has held deposits of NPR 407.10 million of SCL as at 16 July 2026 (Ashad end 2083).
- Till the end of 4th quarter of FY 2082/83, SCL earned interest income of NPR 5.23 million from the Bank.
- All intra-group balances and transactions arising from intra-group transactions are eliminated from the Statement of Financial Position and Statement of Profit or Loss of the Group.

b) Major Financial Indicators

Earnings Per Share	NPR 23.06
Price Earnings Ratio (P/E Ratio)	17.13
Net Worth Per Share	NPR 225.17
Total Assets Value Per Share	NPR 2,609.93
Liquidity Ratio	34.71%

Note: Earnings per share, Net Worth per share and Total Assets Value per share have been calculated excluding Perpetual Non-Cumulative Preference Shares.

2. Management Analysis

a) The Bank issued 8.25% SBL Perpetual Non-Cumulative Preference Shares (PNCPS) worth Rs 3.5 billion classified as Additional Tier-1 Capital and presented under Share Capital. This strengthens the Bank's capital adequacy and risk-absorption capacity.

b) The Bank's business, income and liquidity position improved during the period.

c) The Bank maintained prudent, efficient capital deployment to support sustainable, long-term growth.

d) Sluggish economic conditions impacted loan recovery.

3. Details regarding legal actions

a) Case filed by or to organized institution during the quarter:
There are normal business-related legal issues which don't have significant impact in the Bank's overall business.

b) Case filed by or against the Promoter or Director of organized institution regarding disobedience of prevailing law or commission of criminal offence:
None to our knowledge.

c) Case filed against any Promoter or Director of organized institution regarding commission of financial crime:
None to our knowledge.

4. Analysis of share transaction and progress of organized institution

a) Management's view of share transactions of organized institution of securities market:
Since the price of the share is determined by open market operation, the management holds a neutral view on share transactions and its movement.

b) Maximum, minimum and last share price of the organized institution including total transaction and transacted days during the quarter.

Maximum Price	NPR 414.6
Minimum Price	NPR 368
Closing Price	NPR 395
Total Traded Shares	5,817,404
Total Transaction No.	10,532
Total Traded Days	64 Days

5. Problems and Challenges

Internal

a) Pressure on loan recovery and maintaining asset quality.
b) Slower economic momentum and political uncertainty affecting asset growth.
c) Limited scope for fees income growth amid competitive pricing and subdued transaction volumes.
d) Difficulty in attracting and retaining skilled human resources.
e) Rising operating costs increasing overall cost of doing business.

External

a) Competition among BFIs, pressuring margins and pricing.
b) Volatile macroeconomic conditions and cautious private sector credit demand.
c) Limited investment avenues and subdued yields affecting treasury income.
d) Heightened cybersecurity and operational risks.
e) Global economic uncertainty and geopolitical developments.

Strategies to overcome challenges

a) Active liquidity management to mitigate margin pressures and ensure funding stability.
b) Accelerating digital transformation through automation, AI and advanced analytics.
c) Enhancing operational efficiency through lean processes and cost optimization.
d) Strengthening cybersecurity and IT infrastructure.
e) Intensifying credit recovery and portfolio monitoring to sustain asset quality.
f) Driving product innovation and personalized digital solutions to enhance customer experience.
g) Diversifying revenue streams beyond traditional interest income.

6. Corporate Governance

- Corporate governance remains a defining pillar of the Bank's integrity and resilience. The Bank's governance framework is designed to promote transparency, accountability and sound decision-making across all levels of the organization.
- Board of Directors provides strategic leadership and policy guidance, ensuring long-term objectives align with the Bank's vision, regulatory expectations and stakeholder interests. The Board continuously reviews governance standards with evolving industry practices and regulations.
- Board level committees, including Risk Management Committee, Audit Committee and AML/ CFT Committee, ensure prudent risk oversight, robust internal controls and adherence to ethical and compliance standards.
- Management level committees, including Executive Committee, Management Credit Committee, Asset Liability Management Committee (ALCO), Operational Risk Management Committee and Financial Direction Committee coordinate to execute strategies, ensure sound credit decisions and manage liquidity and operational efficiency.
- The Bank emphasizes risk-based governance, ensuring that all significant business and operational risks are identified, assessed and mitigated through proactive management and a comprehensive internal control framework.
- The Bank continues to embed a compliance and performance-driven culture, supported by strong internal audit functions, transparent disclosures and continuous staff training on governance and ethical conduct.

7. Declaration by CEO

I, CEO of the Bank, take responsibility for the truthfulness of the information and details disclosed in this report. I also hereby declare that to the best of my knowledge and belief, the information disclosed in this report are true, fair and complete and have not concealed any matters that can adversely affect the investment decision of the investors.

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