

Siddhartha Bank Limited

Unaudited Financial Results

(4th Quarter of Fiscal Year 2081/82)

Condensed Consolidated Statement of Financial Position

Amount in NPR

Particulars	Group		Bank	
	This Quarter Ending	Immediate Previous Year Ending (Audited)	This Quarter Ending	Immediate Previous Year Ending (Audited)
Assets				
Cash and cash equivalent	11,082,407,479	22,749,858,078	11,032,476,951	22,739,728,891
Due from Nepal Rastra Bank	34,583,279,530	9,453,753,577	34,583,279,530	9,453,753,577
Placements with Bank and Financial Institutions	7,405,231,218	6,562,120,179	7,405,231,218	6,562,120,179
Derivative financial instruments	15,995,407	4,976,896	15,995,407	4,976,896
Other trading assets	155,547,333	197,570,521	-	18,998,790
Loans and advances to B/FIs	8,091,531,796	5,767,824,492	8,091,531,796	5,767,824,492
Loans and advances to customers	214,557,207,795	195,485,263,229	214,542,377,469	195,473,382,509
Investment securities	54,983,656,411	48,169,685,969	54,719,357,052	47,978,959,412
Current tax assets	196,669,075	218,974,001	199,812,557	217,840,347
Investment in subsidiaries	-	-	51,000,000	51,000,000
Investment in associates	-	-	-	-
Investment property	725,635,232	727,570,174	725,635,232	727,570,174
Property and equipment	3,219,019,711	3,520,861,355	3,201,785,433	3,495,827,216
Goodwill and Intangible assets	122,226,630	147,496,201	117,948,376	146,146,602
Deferred tax assets	-	-	-	-
Other assets	4,123,333,158	4,746,408,796	4,093,733,033	4,703,288,420
Total Assets	339,261,740,775	297,752,363,467	338,780,164,056	297,341,417,505
Liabilities				
Due to Bank and Financial Institutions	3,092,528,164	3,578,162,810	3,092,528,164	3,578,162,810
Due to Nepal Rastra Bank	391,922,787	391,922,787	391,922,787	391,922,787
Derivative financial instruments	19,709,982	3,984,885	19,709,982	3,984,885
Deposits from customers	280,004,522,784	240,980,783,485	280,321,367,831	241,329,082,024
Borrowing	5,839,097,142	5,964,375,769	5,839,097,142	5,964,375,769
Current Tax Liabilities	-	-	-	-
Provisions	-	-	-	-
Deferred tax liabilities	469,454,720	656,753,735	480,556,671	669,639,275
Other liabilities	6,327,947,817	6,031,822,104	5,978,304,205	5,672,397,480
Debt securities issued	11,662,559,000	11,662,559,000	11,662,559,000	11,662,559,000
Subordinated Liabilities	-	-	-	-
Total Liabilities	307,807,742,397	269,270,364,575	307,786,045,782	269,272,124,030
Equity				
Share capital	14,089,980,190	14,089,980,190	14,089,980,190	14,089,980,190
Share premium	-	-	-	-
Retained earnings	1,976,923,952	677,779,733	1,862,787,246	580,361,617
Reserves	15,136,762,985	13,487,023,315	15,041,350,839	13,398,951,668
Total equity attributable to equity holders	31,203,667,127	28,254,783,238	30,994,118,274	28,069,293,475
Non-controlling interest	250,331,251	227,215,655	-	-
Total equity	31,453,998,378	28,481,998,892	30,994,118,274	28,069,293,475
Total liabilities and equity	339,261,740,775	297,752,363,467	338,780,164,056	297,341,417,505

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), 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	76,113,985	78,075,822	4,257,835,512	4,192,208,046	21,167,126,569	23,893,294,564	25,501,076,066	28,163,578,432
Intersegment revenues	326,903,917	355,602,855	126,242,083	147,861,004	7,978,014,219	9,669,970,019	8,431,160,219	10,173,433,878
Segment Profit (loss) before tax	102,616,129	94,897,612	2,291,815,000	2,049,789,384	2,642,657,262	2,331,078,964	5,037,088,391	4,475,765,960
Segment assets	5,435,965,723	4,142,780,045	5,609,561,492	5,236,820,115	327,734,636,838	287,961,817,346	338,780,164,055	297,341,417,507
Segment liabilities	5,333,349,594	4,142,780,045	2,839,502,787	5,184,574,462	330,607,311,673	288,014,062,999	338,780,164,055	297,341,417,507

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 316.85 million of SCL as at 16 July 2025 (Ashadh end 2082).
- Till the end of 4th quarter of FY 2081/82, SCL earned interest income of NPR 5.20 million and NPR 0.30 million Share RTS fee 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 24.10
Price Earnings Ratio (P/E Ratio)	15.93
Net Worth Per Share	NPR 219.97
Total Assets Value Per Share	NPR 2,404.4
Liquidity Ratio	34.01%

2. Management Analysis

- There is positive changes in reserves, income and overall liquidity position.
- A comprehensive strategy encompassing both long-term and short-term plans has been formulated with an emphasis on sustainable growth driven by customer service excellence and a digital-first approach.
- The Bank is actively reengineering its internal processes to enhance operational efficiency and productivity.
- Continued investment in IT infrastructure has supported the Bank's focus on digitization, automated workflows, and robust security frameworks to strengthen its digital service offerings.
- The Bank has been optimizing the utilization of the capital.
- However, sluggish economic activity has impacted loan recovery efforts, resulting in an increase in non-performing assets (NPAs).

3. Details regarding legal actions

- 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.
- 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.
- 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

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

Maximum Price	NPR 403
Minimum Price	NPR 261
Closing Price	NPR 383.77
Total Traded Shares	76,78,713
Total Transaction No.	16,079
Total Traded Days	63 Days

5. Problems and Challenges

- Internal**
- Retaining skilled human resources amid the increasing trend of emigration.
 - Increased cost of doing business.
 - Difficulties in increasing fees-based revenue.
 - Loan recovery remains challenging affecting the maintenance of overall assets quality.
 - Stress in capital adequacy.

External

- Unpredictable changes in laws, policies and regulations.
- Competition among banks and financial institutions.
- Sluggish economic activities.
- Investment opportunities remain limited, resulting in relatively low returns.
- Growing incidence of cyber frauds and operational risks.
- International conflicts and global uncertainties impacting the national economy.

Strategies to overcome challenges

- Achieving cost efficiency and scale through digitization and continuous process reengineering.
- Strengthening IT Infrastructures and security systems to enhance cyber resilience.
- Intensifying efforts in credit recovery to improve asset quality.
- Prioritizing lending to portfolios with lower capital charge.
- Conducting market research and innovating new products/ services while refining existing ones.
- Exploring new avenues for revenue generation.
- Promoting performance driven culture and instilling core values in employees.
- Enhancing customer experience through a comprehensive suite of digital products/ services.

6. Corporate Governance

- Corporate governance is a critical aspect of the Bank's operations, with its governance framework being crucial in navigating numerous operational and market challenges.
- Strategic leadership, rigorous oversight and compliance-based controls are essential for the Bank's sustainable growth.
- The Board of Directors, along with Board Level Committees and Management Team, are committed to upholding exemplary corporate governance practices that align with regulatory requirements and industry best practices.
- The Board is responsible for formulating a robust risk management policy and overseeing the Bank's risk management and internal control frameworks.
- Risk Management Committee and Audit Committee support the Board in fulfilling its risk management and internal control responsibilities.
- Committees such as Executive Committee, Management Credit Committee, Asset Liability Management Committee and Operation Risk Management Committee ensure the Bank's operations are effective and efficient.
- Good corporate governance is integral to the Bank, safeguarding stakeholder's interest.

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.

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	5,546,953,716	22,324,860,014	6,151,330,017	25,735,251,088	5,545,712,983	22,312,191,826	6,147,357,000	25,716,027,983
Interest expense	3,439,483,676	13,868,450,418	4,228,190,016	17,774,790,449	3,441,997,328	13,872,271,708	4,230,669,644	17,785,958,012
Net interest income	2,107,470,039	8,456,409,596	1,923,140,001	7,960,460,639	2,103,715,655	8,439,920,119	1,916,687,356	7,930,069,971
Fees and commission income	588,070,249	2,296,048,061	503,263,287	1,966,656,444	545,343,612	2,097,288,147	479,717,041	1,815,388,806
Fees and commission expense	107,971,833	485,325,729	86,719,681	413,511,287	103,962,253	455,773,418	85,266,722	389,054,337
Net fee and commission income	480,098,416	1,810,722,332	416,543,606	1,553,145,157	441,381,359	1,641,514,729	394,450,318	1,426,334,469
Net interest, fee and commission income	2,587,568,455	10,267,131,928	2,339,683,607	9,513,605,795	2,545,097,014	10,081,434,848	2,311,137,674	9,356,404,440
Net trading income	243,601,636	438,679,367	69,707,584	242,791,810	229,552,705	424,180,147	54,675,273	239,844,593
Other operating income	222,335,953	663,126,395	110,260,195	371,865,471	222,885,592	651,225,371	122,509,678	381,052,402
Total operating income	3,053,506,044	11,368,937,690	2,519,651,387	10,128,263,077	2,997,535,311	11,156,840,365	2,488,322,625	9,977,301,435
Impairment charge/(reversal) for loan and other losses	(901,093,547)	1,315,361,418	(658,797,695)	1,051,123,141	(901,093,547)	1,315,361,418	(658,797,695)	1,051,123,141
Net operating income	3,954,599,591	10,053,576,271	3,178,449,081	9,077,139,936	3,898,628,858	9,841,478,947	3,147,120,320	8,926,178,295
Operating expense								
Personnel expense	932,164,668	3,307,918,971	788,097,395	3,029,685,273	916,527,608	3,246,207,091	772,893,174	2,977,901,219
Other operating expense	45,434,232	1,097,280,742	46,651,783	1,004,074,465	36,704,142	1,065,580,229	41,935,183	985,628,185
Depreciation & Amortisation	305,841,415	511,202,642	296,339,824	488,209,362	302,834,724	499,833,902	293,761,308	478,149,579
Operating Profit	2,671,159,277	5,137,173,916	2,047,360,079	4,555,170,837	2,642,562,384	5,029,857,726	2,038,530,655	4,484,499,312
Non operating income	6,238,773	16,250,067	9,835,844	11,264,646	6,193,114	16,190,574	9,835,844	11,264,646
Non operating expense	1,973,954	8,959,909	831,100	19,997,998	1,973,954	8,959,909	831,100	19,997,998
Profit before income tax	2,675,424,095	5,144,464,074	2,056,364,823	4,546,437,485	2,646,781,544	5,037,088,391	2,047,535,398	4,475,765,961
Income tax expense								
Current Tax	951,689,638	1,705,005,946	692,725,722	1,455,418,185	943,096,873	1,665,143,241	684,359,645	1,428,499,479
Deferred Tax	(23,340,575)	(23,340,575)	(31,261,794)	(31,261,794)	(23,340,575)	(23,340,575)	(32,762,202)	(32,762,202)
Profit for the period	1,747,075,032	3,462,798,704	1,394,900,894	3,122,281,093	1,727,025,246	3,395,285,726	1,395,937,954	3,080,028,684
Condensed Consolidated Statement of Comprehensive Income								
Profit or loss for the period	1,747,075,032	3,462,798,704	1,394,900,894	3,122,281,093	1,727,025,246	3,395,285,726	1,395,937,954	3,080,028,684
Other Comprehensive Income	35,218,801	97,299,989	659,758,285	489,026,704	33,789,528	93,138,281	656,353,252	492,641,925
Total Comprehensive Income	1,782,293,833	3,560,098,693	2,054,659,179	3,611,307,797	1,760,814,774	3,488,424,007	2,052,291,206	3,572,670,608
Basic earnings per share	47.86	24.24	38.41	21.93	47.59	24.10	38.47	21.86
Diluted earnings per share	47.86	24.24	38.41					