कुमारी बैंक लिमिटेड
KUMARI BANK LIMITED
सबैका लागि, सधैंका लागि

Tangal, P.O. Box 21128, Kathmandu, Tel; 01-4443077, SWIFT: KMBLNPKA

Interim Financial Statements of the FY 2083/84

Condensed Consolidated Statement of Financial Position

As on First Quarter (17th October 2026) of the Fiscal Year 2026/27

Amount in NPR

Particulars	Group		Bank	
	This Quarter Ending	Immediate Previous Year Ending	This Quarter Ending	Immediate Previous Year Ending
Assets				
Cash and Cash Equivalents	16,761,047,000	15,461,259,165	16,445,316,571	15,242,540,258
Due from Nepal Rastra Bank	22,230,148,924	23,605,802,569	22,230,148,924	23,605,802,569
Placement with Bank and Financial Institutions	51,702,625,465	32,144,836,099	51,702,625,465	32,144,836,099
Derivative Financial Instruments	8,035,272,310	4,192,861,334	8,035,272,310	4,192,861,334
Other Trading Assets	-	-	-	-
Loans and Advances to BFIs	12,093,366,437	13,980,678,771	12,093,366,437	13,980,678,771
Loans and Advances to Customers	293,096,299,472	272,202,381,444	293,096,299,472	272,202,381,444
Investment Securities	103,260,907,098	115,235,264,329	102,810,386,024	114,461,467,704
Current Tax Assets	518,760,440	972,010,949	527,845,325	963,481,410
Investment in Subsidiaries	-	-	600,000,000	600,000,000
Investment in Associates	440,776,876	400,704,596	42,994,596	42,994,596
Investment Property	2,121,594,936	2,257,536,064	2,121,594,936	2,257,536,064
Property and Equipment	2,429,404,051	2,489,399,043	2,391,570,678	2,451,382,881
Goodwill and Intangible Assets	187,780,332	194,679,359	185,294,060	191,517,259
Deferred Tax Assets	979,708,660	943,499,903	987,103,677	943,499,903
Other Assets	9,844,756,170	8,675,017,931	9,406,322,848	8,400,066,844
Total Assets	**523,702,448,169**	**492,755,931,558**	**522,676,141,323**	**491,681,047,135**
Liabilities				
Due to Bank and Financial Institutions	11,375,923,836	14,116,677,458	11,450,428,239	14,200,428,239
Due to Nepal Rastra Bank	1,530,000,000	1,530,000,000	1,530,000,000	1,530,000,000
Derivative Financial Instruments	7,784,595,497	4,200,935,694	7,784,595,497	4,200,935,694
Deposits from Customers	428,341,294,167	402,736,207,787	428,341,294,167	402,736,207,787
Borrowings	-	-	-	-
Current Tax Liabilities	-	-	-	-
Provisions	-	4,646,392	-	4,646,392
Deferred Tax Liabilities	-	-	-	-
Other Liabilities	14,989,921,218	10,900,567,826	14,396,399,544	10,255,587,356
Debt Securities Issued	13,984,334,638	13,984,141,133	13,984,334,638	13,984,141,133
Subordinated Liabilities	-	-	-	-
Total Liabilities	**478,006,069,356**	**447,473,176,291**	**477,487,052,085**	**446,911,946,602**
Equity				
Share Capital	26,225,861,340	26,225,861,340	26,225,861,340	26,225,861,340
Share Premium	-	-	-	-
Retained Earnings	607,085,771	1,101,751,383	147,188,500	635,182,992
Reserves	18,863,431,701	17,955,142,544	18,816,039,398	17,908,056,201
Total Equity Attributable to Equity Holders	**45,696,378,812**	**45,282,755,267**	**45,189,089,238**	**44,769,100,533**
Non-Controlling Interest	-	-	-	-
Total Equity	**45,696,378,812**	**45,282,755,267**	**45,189,089,238**	**44,769,100,533**
Total Liabilities and Equity	**523,702,448,169**	**492,755,931,558**	**522,676,141,323**	**491,681,047,135**

Condensed Consolidated Statement of Profit or Loss
For the First Quarter Ended (17th October 2026) of the Fiscal Year 2026/27

Amount in NPR

Particulars	Group				Bank			
	Current Year		Previous Year		Current Year		Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Interest income	6,195,198,697	6,195,198,697	7,340,942,093	7,340,942,093	6,185,934,801	6,185,934,801	7,336,110,442	7,336,110,442
Interest expense	4,094,652,120	4,094,652,120	4,424,044,996	4,424,044,996	4,094,652,120	4,094,652,120	4,424,059,448	4,424,059,448
Net interest income	**2,100,546,578**	**2,100,546,578**	**2,916,897,097**	**2,916,897,097**	**2,091,282,682**	**2,091,282,682**	**2,912,050,994**	**2,912,050,994**
Fee and commission income	975,399,447	975,399,447	944,586,828	944,586,828	975,399,447	975,399,447	944,586,828	944,586,828
Fee and commission expense	93,044,073	93,044,073	95,390,446	95,390,446	93,044,073	93,044,073	95,390,446	95,390,446
Net fee and commission income	**882,355,374**	**882,355,374**	**849,196,382**	**849,196,382**	**882,355,374**	**882,355,374**	**849,196,382**	**849,196,382**
Net interest, fee and commission Income	**2,982,901,952**	**2,982,901,952**	**3,766,093,479**	**3,766,093,479**	**2,973,638,056**	**2,973,638,056**	**3,761,247,376**	**3,761,247,376**
Net trading income	257,183,278	257,183,278	146,450,233	146,450,233	257,183,278	257,183,278	146,450,233	146,450,233
Other operating income	496,118,859	496,118,859	378,175,056	378,175,056	441,194,301	441,194,301	307,616,144	307,616,144
Total operating income	**3,736,204,088**	**3,736,204,088**	**4,290,718,768**	**4,290,718,768**	**3,672,015,635**	**3,672,015,635**	**4,215,313,753**	**4,215,313,753**
Impairment charge/ (reversal) for Loans and other losses	449,954,424	449,954,424	1,264,107,078	1,264,107,078	449,954,424	449,954,424	1,264,107,078	1,264,107,078
Net operating income	**3,286,249,665**	**3,286,249,665**	**3,026,611,690**	**3,026,611,690**	**3,222,061,211**	**3,222,061,211**	**2,951,206,675**	**2,951,206,675**
Operating expense								
Personnel expenses	934,162,708	934,162,708	1,104,997,509	1,104,997,509	916,782,255	916,782,255	1,091,032,931	1,091,032,931
Other operating expenses	290,544,173	290,544,173	272,432,299	272,432,299	269,237,955	269,237,955	250,392,233	250,392,233
Depreciation & Amortization	153,439,363	153,439,363	188,609,879	188,609,879	150,715,513	150,715,513	185,745,715	185,745,715
Operating Profit	**1,908,103,421**	**1,908,103,421**	**1,460,572,003**	**1,460,572,003**	**1,885,325,488**	**1,885,325,488**	**1,424,035,796**	**1,424,035,796**
Non-operating income	2,843,658	2,843,658	3,174,934	3,174,934	2,843,658	2,843,658	3,174,934	3,174,934
Non-operating expense	353,029,005	353,029,005	50,000	50,000	353,029,005	353,029,005	50,000	50,000
Profit before income tax	**1,557,918,074**	**1,557,918,074**	**1,463,696,937**	**1,463,696,937**	**1,535,140,141**	**1,535,140,141**	**1,427,160,730**	**1,427,160,730**
Income tax expense	**467,255,107**	**467,255,107**	**375,691,058**	**375,691,058**	**460,634,216**	**460,634,216**	**370,629,565**	**370,629,565**
Current Tax	483,449,227	483,449,227	446,946,679	446,946,679	460,542,042	460,542,042	438,546,212	438,546,212
Deferred Tax	(16,194,120)	(16,194,120)	(71,255,621)	(71,255,621)	92,173	92,173	(67,916,647)	(67,916,647)
Profit/(loss) for the period	**1,090,662,968**	**1,090,662,968**	**1,088,005,880**	**1,088,005,880**	**1,074,505,925**	**1,074,505,925**	**1,056,531,165**	**1,056,531,165**
Condensed Consolidated Statement of Comprehensive income								
Profit/(loss) for the period	**1,090,662,968**	**1,090,662,968**	**1,088,005,880**	**1,088,005,880**	**1,074,505,925**	**1,074,505,925**	**1,056,531,165**	**1,056,531,165**
Other Comprehensive income	(100,225,900)	(100,225,900)	(263,349,906)	(263,349,906)	(101,957,210)	(101,957,210)	(263,349,906)	(263,349,906)
Total Comprehensive income for the period	**990,437,067**	**990,437,067**	**824,655,974**	**824,655,974**	**972,548,716**	**972,548,716**	**793,181,260**	**793,181,260**
Basic earnings per share		16.63		16.59		16.39		16.11
Diluted earnings per share		16.63		16.59		16.39		16.11
Profit attributable to:								
Equity holders of the Bank	**990,437,067**	**990,437,067**	**824,655,974**	**824,655,974**	**972,548,716**	**972,548,716**	**793,181,260**	**793,181,260**
Non-controlling interest	-	-	-	-	-	-	-	-

Statement of Distributable Profit or Loss
For the Quarter end of Asoj 2083
(As per NRB Regulation)

Amount in NPR

Particulars	**Current Year Upto this Qtr YTD**	**Previous Year Corresponding Qtr YTD**
Net profit or (loss) as per statement of profit or loss	**1,074,505,925**	**1,056,531,165**
Appropriations:		
a. General reserve	(214,901,185)	(211,306,233)
b. Foreign exchange fluctuation fund	(4,839,470)	(2,755,784)
c. Capital redemption reserve	(260,416,667)	(260,416,667)
d. Corporate social responsibility fund	24,858,862	(10,565,312)
e. Employees' training fund	12,163,525	(65,910,740)
f. Other Reserve (Capital Adjustment Reserve)	-	-
g. Other (Fair Value reserve)	-	-
Profit or (loss) befor regulatory adjustment	**631,370,990**	**505,576,430**
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(511,916,426)	(1,544,281,260)
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	(101,957,210)	(263,349,906)
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)	67,657,900	244,071,796
e. Deferred tax assets recognised (-)/ reversal (+)	92,173	(67,916,643)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	-	-
i. Other (+/-) Interest Capialization	(21,118,524)	-
Net Profit for the quarter ended Asoj 2083 available for distribution	**64,128,904**	**(1,125,899,583)**
Opening Retained Earnings as on Shrawan 2083	**635,182,992**	**(2,794,020,616)**
Adjustment:	-	-
Distribution:		
Bonus Shares Issued	-	-
Cash Dividend Paid	(552,123,397)	-
Total Distributable Profit or (Loss) as on quarter ended Asoj 2083	**147,188,500**	**(3,919,920,199)**
Annualised Distributable Profit/Loss per share	**2.24**	**-**

Ratios as per NRB

Particulars	Group				Bank			
	Current Year		Previous Year Corresponding		Current Year		Previous Year Corresponding	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Tier 1 Capital to RWA		9.15%		8.54%		9.15%		8.54%
CET 1 Capital to RWA		9.15%		8.54%		9.15%		8.54%
Capital fund to RWA		12.67%		12.54%		12.67%		12.54%
Non-Performing Loan (NPL) to Total Loan		8.72%		6.98%		8.72%		6.98%
Net Non-Performing Loan to Total Loan		2.17%		1.56%		2.17%		1.56%
Total loan loss provision to Total NPL		91.66%		129.63%		91.66%		129.63%
Cost of Funds	3.43%		4.29%		3.43%		4.29%	
Credit to Deposit Ratio	71.71%		79.07%		71.71%		79.07%	
Base Rate (FTM)	4.80%		5.82%		4.80%		5.82%	
Interest Rate Spread	3.03%		3.53%		3.03%		3.53%	
Return on Equity	9.51%		11.10%		9.51%		11.10%	
Return on Assets	0.82%		0.96%		0.82%		0.96%	

Notes to the Interim Financial Statements

1. **Above figures are prepared in accordance with Nepal Financial Reporting Standards, Nepal Accounting Standard as issued by the Institute of Chartered Accountants of Nepal; subject to change upon otherwise directions of Statutory Auditor and Regulatory Authorities.**
2. **Group represents the Bank and its wholly owned subsidiary Kumari Capital Ltd and KBL Securities Ltd; National Laghubitta Bittiya Sanstha Limited, First Microfinance Laghu Bitta Bittiya Sanstha Ltd as Associates.**
3. **The NFRS reporting has been complied by adopting appropriate accounting judgment, those having potential material impact on the financial statements and had made appropriate judgment in making accounting estimates.**
4. **The Bank recognizes impairment allowances on credit exposures pursuant to the regulatory backstop in NFRS 9 – Expected Credit Loss Related Guideline, 2024 is calculated as the higher of: (i) Total Expected Credit Loss (ECL) under NFRS 9; and (ii) Existing regulatory provisions under NRB Directives No. 2**
5. **Loan processing fees are integral to the effective interest rate (EIR) and are included in the EIR calculation for new loans originated during the current fiscal year.**
6. **Personnel Expenses include employment bonus provision calculated at 10 percent of profit and amortization of prepayment amount of subsidized loans provided to the employees of the bank.**
7. **Previous figures have been regrouped and restated wherever necessary.**
8. **The detail Interim report has been published in the Bank's website www.kumaribank.com.**

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

1. Major Financial Indicators ***(****annualized fig.)*

1. Earnings per Share = 16.39
2. Market Price per Share = Rs.238.4
3. Price Earnings Ratio (P/E ratio) = 14.55
4. Net Worth per Share = Rs.172.31
5. Liquidity Ratio = 35.49

2. Management Analysis:

- The bank is focusing on cost management, diversified investments, technological up gradation, optimum utilization of resources, recoveries of it's risk assets and automation of work.

3. Details Regarding Legal Actions

a. Case filed by or to Kumari Bank Ltd. during the quarter –
- Apart from the case related to credit recovery in the normal course of business operation, no other cases were file by or to Kumari Bank Ltd. during the quarter.

b. Case filed by or against the promoter or director of Kumari Bank Ltd. regarding disobedience of prevailing law or commission of criminal offence –
- No such information has been received

c. Case filed against any Promoter or Director of Kumari Bank Ltd. regarding commission of financial crime –
- No such information has been received

4. Analysis of Share Transaction of Organized Institutions

a. Management's view on share transactions of Kumari Bank Ltd. at Securities Market:
   Since the price of the stock is determined by open market operation, the management's view is neutral in this regard.

b. Maximum, minimum and closing price of shares including total transactions and transacted days during the quarter
   Max. Price = Rs. 246 Min. Price = Rs.207.1 Closing Price = Rs. 238.4 Total no. of Transactions = 44,058 Transacted Day = 61 days

5. Problems and Challenges

Internal

a. Low credit growth, high operating costs, and rising provisioning squeeze profitability.
b. Improving operational efficiencies to minimize inherent risks & management of Non-Performing Assets.

External

a. Ample liquidity but weak credit demand limits revenue growth to absorb fixed costs.
b. Challenge to pass on cost growth to revenue stream.

Strategy to Overcome Problems & Challenges

a. Use digital transformation to improve efficiency, risk monitoring, and customer-focused products.
b. Utilizing the assets in as much as high yield, low risk investment sector and stringent recovery process for managing Non-Performing Assets.

6. Corporate Governance

In order to increase the standard of corporate governance, following actions has been initiated by the bank:

a. Board including the Audit Committee, Risk Management Committee and other committees continuously review the activities of various areas of the Bank and provide direction and support where necessary.
b. Management Committee (Asset Liability Committee, Risk Management Committee) chaired by the CEO and comprising of heads of key units of the bank, meets on a regular basis to assess the performance of the Bank and take key decisions.

7. Particulars relating to Annexure – 16 of Securities Registration and Issuance Regulation, 2073

- No such reportable events occurred during the period.

8. Declaration by CEO

I hereby declare that the data and information provided in this report is true, complete, and factual to the extent of my knowledge.