



Unaudited Financial Results (Quarterly)
1st Quarter ended of Fiscal Year 2075/2076

Rs. in '000

Statement of Financial Position	This Quarter Ending		Previous Quarter Ending		Corresponding Previous Quarter Ending	
	Group	Siddhartha Bank	Group	Siddhartha Bank	Group	Siddhartha Bank
Assets						
Cash and cash equivalent	6,226,051	6,211,659	4,515,436	4,453,213	2,716,267	2,664,743
Due from NRB and placements with BFls	6,413,181	6,413,181	8,066,057	8,066,057	5,735,397	5,735,397
Loan and advances	90,672,086	90,670,512	85,759,907	85,758,413	69,701,251	69,699,491
Investments Securities	13,926,927	13,613,476	18,981,356	18,674,260	14,953,529	14,698,790
Investment in subsidiaries and associates	-	51,000	-	51,000	-	51,000
Goodwill and intangible assets	13,327	12,195	13,301	12,089	13,566	12,778
Other assets	1,928,395	1,883,237	3,021,083	2,953,664	1,516,476	1,467,487
Total Assets	119,179,968	118,855,260	120,357,141	119,968,696	94,636,484	94,329,686
Capital and Liabilities						
Paid up Capital	8,464,385	8,464,385	8,464,385	8,464,385	6,844,949	6,844,949
Reserves and surplus	5,783,190	5,627,729	5,376,861	5,133,037	4,962,954	4,827,628
Deposits	99,907,730	100,253,140	101,414,042	101,748,243	77,238,400	77,875,050
Borrowings	-	-	-	-	-	-
Bond and Debenture	1,203,520	1,203,520	1,203,520	1,203,520	1,203,520	1,203,520
Other liabilities and provisions	3,821,143	3,306,485	3,898,333	3,419,510	4,386,660	3,578,539
Total Capital and Liabilities	119,179,968	118,855,260	120,357,141	119,968,696	94,636,484	94,329,686

Statement of Profit or Loss	Up to this Quarter		Up to Previous Quarter		Up to Corresponding Previous Year Quarter	
	Group	Siddhartha Bank	Group	Siddhartha Bank	Group	Siddhartha Bank
Interest income	3,087,270	3,077,382	10,096,173	10,057,003	1,393,092	1,387,237
Interest expense	1,828,242	1,835,408	6,587,819	6,620,744	637,768	647,398
Net interest income	1,259,028	1,241,974	3,508,354	3,436,259	755,325	739,839
Fee and commission income	240,638	222,724	866,976	779,104	163,050	145,828
Fee and commission expense	34,110	32,038	139,357	127,903	24,905	22,774
Net fee and commission income	206,528	190,686	727,620	651,201	138,145	123,054
Other operating income	122,744	122,558	610,135	567,178	197,930	182,415
Total operating income	1,588,300	1,555,218	4,846,109	4,654,637	1,091,399	1,045,308
Impairment charge/(reversal) for loans and other losses	302,726	302,726	162,147	162,147	172,585	172,585
Net operating income	1,285,574	1,252,492	4,683,962	4,492,490	918,814	872,723
Personnel expenses	345,209	335,847	1,163,866	1,125,011	231,118	221,727
Other operating expenses	179,373	172,372	635,205	609,091	133,915	127,228
Operating profit	760,992	744,273	2,884,891	2,758,389	553,781	523,768
Non operating income/(expense)	5,834	5,834	698	400	464	400
Profit before tax	766,826	750,107	2,885,589	2,758,789	554,245	524,168
Income tax	230,048	225,032	838,700	806,829	164,862	157,250
Profit/(loss) for the period	536,778	525,075	2,046,889	1,951,960	389,383	366,918
Other comprehensive income	(30,699)	(30,699)	(347,257)	(321,074)	(24,654)	(21,504)
Total comprehensive income	506,079	494,375	1,699,632	1,630,886	364,728	345,414

Distributable Profit						
Net profit/(loss) as per profit or loss	536,778	525,075	2,046,889	1,951,960	389,383	366,918
Add/Less: Regulatory adjustment as per NRB Directive	(213,485)	(213,485)	(153,024)	(153,024)	(236,180)	(236,180)
Profit/(loss) after regulatory adjustments	323,293	311,589	1,893,865	1,798,936	153,203	130,738

Ratios							
Capital fund to RWA	12.07%	12.06%	12.08%	11.99%	12.73%	12.69%	
Non performing loan (NPL) to total loan (As per NRB Directive)	1.40%	1.40%	1.09%	1.09%	2.01%	2.01%	
Total loan loss provision to Total NPL (As per NRB Directive)	135.96%	135.96%	150.50%	150.50%	97.57%	97.57%	
Cost of Funds	7.20%	7.20%	7.63%	7.63%	7.32%	7.32%	
Credit to Deposit Ratio (As per NRB Directive)	79.47%	79.47%	74.23%	74.23%	78.36%	78.36%	
Base Rate	10.62%	10.62%	11.16%	11.16%	10.28%	10.28%	
Basic Earning Per Share	25.37	24.81	28.43	27.11	24.48	23.07	
Diluted Earning Per Share	25.37	24.81	28.43	27.11	24.48	23.07	
Additional Information							
Net Interest Spread (As per NRB Directive)	4.77%	4.77%	4.58%	4.58%	3.84%	3.84%	
Cost of Deposit - (YTD Average)	7.24%	7.24%	7.69%	7.69%	7.36%	7.36%	
Return on Equity	15.07%	14.90%	14.79%	14.36%	13.19%	12.57%	
Return on Assets	1.80%	1.77%	1.70%	1.63%	1.65%	1.56%	

Notes

- The above figures are subject to change as per the direction of the Regulators/ External auditor.
- On implementation of NFRS, the figures of corresponding previous quarter have been revised, wherever necessary in accordance with the NFRS Compliant Financial Statement format provided by NRB and the principles and policies adopted by the Bank in accordance with NFRS.
- The figures for previous quarter have been restated, regrouped wherever necessary which might vary from previous quarter published figures. Figures vary due to the effect of availment of carve outs in NFRS notified by the Institute of Chartered Accountants of Nepal which were not provided in published figures.
- Loans and advances are presented net of impairment charges. Impairment loss on loans and advances has been measured at higher of amount derived as per norms prescribed by NRB and as per Para 63 of NAS 39.
- Personnel Expenses include employment bonus provision calculated at 10 percent of Profit before bonus and tax for this quarter and previous quarter.
- Provision for Gratuity and Leave encashment have been provided for as per estimated actuarial valuation and hence actuarial gain/loss has not been separately disclosed. The provision created and expense booked might vary if actuarial valuation is conducted by a certified actuary.
- Tangible Property, Plant and Equipment have been included in Other Assets.
- 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. All such intra group transactions have been eliminated in the above statement related to the group.
- Share of Non Controlling Interest in Profits of the group stand at Rs. 5.73 million for the current quarter. Similarly, total share of Non Controlling Interest in equity of the group stand at Rs. 198.36 million at the end of current quarter, which has been presented under Other liabilities and provisions.

Segmental Reporting for the quarter ended 17 October 2018 (Ashwin end 2075)

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), Payment Solutions (Cards), Remittance, Treasury and Micro Banking. Treasury Department acts as the fund manager of the Bank.

Information about profit or loss, assets and liabilities

Rs. in '000

Particulars		Payment Solutions	Remittance	Treasury	Microbanking	Banking	Total
(a)	Revenues from external customers	54,168	7,333	259,788	57,616	3,049,594	3,428,498
(b)	Intersegment revenues	-	4,669	4,753	-	1,207,723	1,217,146
(c)	Net Revenue	54,168	12,002	264,541	57,616	4,257,317	4,645,644
(d)	Interest revenue*	4,718	4,669	179,613	48,607	4,051,895	4,289,503
(e)	Interest expense*	(284)	(1,588)	(143,386)	(30,800)	(2,871,472)	(3,047,529)
(f)	Net interest revenue	4,434	3,082	36,228	17,807	1,180,423	1,241,974
(g)	Depreciation and amortisation	(542)	(221)	(48)	(477)	(28,472)	(29,761)
(h)	Segment profit /(loss)	17,498	3,134	118,403	14,508	371,531	525,075
(i)	Entity's interest in the profit or loss of associates accounted for using equity method	-	-	-	-	-	-
(j)	Other material non-cash items	-	-	-	-	-	-
(k)	Impairment of assets	(1,140)	-	-	(4,096)	(297,490)	(302,726)
(l)	Segment assets	192,861	214,585	1,278,532	25,016	117,144,267	118,855,260
(m)	Segment liabilities	(178,113)	(212,210)	(1,176,034)	(15,886)	(117,273,016)	(118,855,260)

Note

* Interest revenue and Interest expense include Intersegment interest of Rs. 1,212.12 million.

Reconciliation of Segmental Interest income and Segmental Interest expense to the Bank's Interest Income and Interest expense

Rs. in '000

Particulars		Payment Solutions	Remittance	Treasury	Microbanking	Banking	Total
A	Segmental Interest revenue	4,718	4,669	179,613	48,607	4,051,895	4,289,503
Less:	Intersegment interest revenue	-	(4,669)	-	-	(1,207,452)	(1,212,121)
Interest revenue of the Bank							3,077,382
B	Segmental Interest expense	(284)	(1,588)	(143,386)	(30,800)	(2,871,472)	(3,047,529)
Less:	Intersegment interest expense	284	-	141,126	30,800	1,039,911	1,212,121
Interest expense of the Bank							(1,835,408)

Profit after Regulatory Adjustments for the 1st Quarter ended of Fiscal Year 2075/2076

Rs. in '000

Particulars	This Quarter Ending
Net Profit or (loss) as per Statement of Profit or Loss	525,075
<u>Regulatory Adjustments:</u>	
a. Interest receivable (-)/previous accrued interest received (+)	(196,652)
b. Short loan loss provision in accounts (-)/reversal (+)	-
c. Short provision for possible losses on investment (-)/reversal (+)	(23,327)
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)	-
e. Deferred tax assets recognised (-)/ reversal (+)	-
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-
g. Bargain purchase gain recognised (-)/reversal (+)	-
h. Actuarial loss recognised (-)/reversal (+)	-
i. Fair Value Recognition of Financial Assets classified as Held for Trading	8,137
j. Other (+/-)	(1,643)
Profit or (loss) after Regulatory Adjustments	311,589