

Siddhartha Bank Limited
Unaudited Financial Results
3rd Quarter of Fiscal Year 2078/79

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	9,109,134,172	6,198,805,271	9,192,580,959	5,976,055,588
Due from Nepal Rastra Bank	6,110,466,303	7,740,641,992	6,110,466,303	7,740,641,992
Placements with Bank and Financial Institutions	350,365,781	3,308,708,365	350,365,781	3,308,708,365
Derivative financial instruments	11,776,991	52,423,253	11,776,991	146,940,556
Other trading assets	179,736,650	243,946,370	-	-
Loans and advances to B/FIs	6,530,485,131	6,027,862,003	6,530,485,131	6,027,862,003
Loans and advances to customers	177,383,238,356	158,589,984,140	177,374,293,493	158,579,235,014
Investment securities	42,973,492,346	41,940,769,770	42,486,516,346	41,825,293,770
Current tax assets	424,689,706	126,424,328	408,137,958	127,218,846
Investment in subsidiaries	-	-	51,000,000	51,000,000
Investment in associates	-	-	-	-
Investment property	216,284,527	291,042,098	216,284,527	291,042,098
Property and equipment	1,695,549,578	1,466,037,615	1,687,908,147	1,451,931,803
Goodwill and Intangible assets	66,747,067	81,767,169	64,748,611	81,501,245
Deferred tax assets	-	-	-	-
Other assets	2,708,385,663	3,518,219,472	2,638,677,180	3,429,045,936
Total Assets	247,760,352,271	229,586,631,845	247,123,241,427	229,036,477,217
Liabilities				
Due to Bank and Financial Institutions	4,082,715,143	7,717,011,244	4,082,715,143	7,717,011,244
Due to Nepal Rastra Bank	19,752,194,753	5,859,906,910	19,752,194,753	5,859,906,910
Derivative financial instruments	28,225,129	-	28,225,129	94,517,303
Deposits from customers	188,871,195,175	180,438,924,523	189,069,069,052	180,924,009,324
Borrowing	975,200,000	-	975,200,000	-
Current Tax Liabilities	-	-	-	-
Provisions	-	-	-	-
Deferred tax liabilities	620,208,895	971,343,097	615,585,027	966,719,229
Other liabilities	3,822,539,539	5,625,142,991	3,365,757,268	4,909,947,881
Debt securities issued	7,662,559,000	8,162,559,000	7,662,559,000	8,162,559,000
Subordinated Liabilities	-	-	-	-
Total Liabilities	225,814,837,634	208,774,887,766	225,551,305,372	208,634,670,892
Equity				
Share capital	12,524,426,835	10,962,299,199	12,524,426,835	10,962,299,199
Share premium	-	-	-	-
Retained earnings	1,102,651,175	1,913,477,937	1,018,793,466	1,808,628,800
Reserves	8,110,393,122	7,710,107,443	8,028,715,754	7,630,878,326
Total equity attributable to equity holders	21,737,471,132	20,585,884,580	21,571,936,055	20,401,806,326
Non-controlling interest	208,043,505	225,859,500	-	-
Total equity	21,945,514,637	20,811,744,080	21,571,936,055	20,401,806,326
Total liabilities and equity	247,760,352,271	229,586,631,845	247,123,241,427	229,036,477,217

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	5,419,432,900	14,412,608,378	3,704,782,224	10,946,361,054	5,408,771,932	14,387,361,217	3,697,150,782	10,921,466,645
Interest expense	3,652,574,649	9,621,797,439	2,294,870,789	6,985,708,156	3,654,364,482	9,626,004,746	2,295,329,645	6,988,350,324
Net interest income	1,766,858,251	4,790,810,939	1,409,911,435	3,960,652,898	1,754,407,450	4,761,356,471	1,401,821,136	3,933,116,321
Fees and commission income	385,228,741	1,252,664,982	454,525,656	1,103,422,722	344,321,720	1,108,437,607	419,206,271	993,809,421
Fees and commission expense	90,921,392	257,733,420	66,893,466	168,132,132	76,359,580	225,899,987	57,863,199	146,667,073
Net fee and commission income	294,307,349	994,931,562	387,632,190	935,290,590	267,962,140	882,537,620	361,343,071	847,142,348
Net interest, fee and commission income	2,061,165,600	5,785,742,501	1,797,543,625	4,895,943,488	2,022,369,590	5,643,894,091	1,763,164,207	4,780,258,670
Net trading income	74,429,343	309,832,201	279,146,044	614,470,293	102,448,718	355,034,252	271,584,589	598,079,803
Other operating income	79,678,882	541,505,301	312,314,935	566,750,939	78,566,529	523,629,432	304,181,394	543,473,322
Total operating income	2,215,273,825	6,637,080,003	2,389,004,604	6,077,164,720	2,203,384,837	6,522,557,775	2,338,930,191	5,921,811,794
Impairment charge/(reversal) for loan and other losses	358,507,020	429,692,739	(294,073,396)	411,995,555	358,507,020	429,692,739	(294,073,396)	411,995,555
Net operating income	1,856,766,805	6,207,387,264	2,683,078,000	5,665,169,165	1,844,877,817	6,092,865,036	2,633,003,586	5,509,816,239
Operating expense								
Personnel expense	779,672,850	2,160,863,090	692,892,777	1,730,873,878	771,361,315	2,128,938,184	682,150,290	1,697,741,023
Other operating expense	294,976,921	824,022,361	256,979,030	685,179,933	287,844,445	805,887,423	252,704,009	672,863,187
Depreciation & Amortisation	46,757,038	139,976,690	51,392,353	155,381,124	46,131,037	137,646,586	50,373,719	152,252,927
Operating Profit	735,359,996	3,082,525,123	1,681,813,840	3,093,734,230	739,541,020	3,020,392,843	1,647,775,569	2,986,959,101
Non operating income	129,598	7,821,477	34,709	482,511	129,573	7,609,720	34,709	452,511
Non operating expense	150,000	16,844,239	789,314	3,039,593	150,000	16,844,239	789,314	3,039,593
Profit before income tax	735,339,594	3,073,502,361	1,681,059,235	3,091,177,148	739,520,593	3,011,158,324	1,647,020,963	2,984,372,019
Income tax expense								
Current Tax	227,018,183	941,299,625	510,734,077	951,175,038	228,272,483	922,596,414	500,522,595	919,133,499
Deferred Tax	-	-	-	-	-	-	-	-
Profit for the period	508,321,411	2,132,202,736	1,170,325,158	2,140,002,110	511,248,110	2,088,561,910	1,146,498,369	2,065,238,520
Condensed Consolidated Statement of Comprehensive Income								
Profit or loss for the period	508,321,411	2,132,202,736	1,170,325,158	2,140,002,110	511,248,110	2,088,561,910	1,146,498,369	2,065,238,520
Other Comprehensive Income	(382,561,269)	(819,313,138)	1,493,148,420	2,197,754,995	(382,561,269)	(819,313,138)	1,493,148,420	2,197,754,995
Total Comprehensive Income	125,760,142	1,312,889,598	2,663,473,578	4,337,757,105	128,686,841	1,269,248,772	2,639,646,789	4,262,993,515
Basic earnings per share	16.69	22.62	37.52	22.54	16.74	22.38	37.12	22.13
Diluted earnings per share	16.69	22.62	37.52	22.54	16.74	22.38	37.12	22.13
Profit attributable to:								
Equity holders of the Bank	127,194,225	1,291,505,593	2,651,798,452	4,301,122,946	128,686,841	1,269,248,772	2,639,646,789	4,262,993,515
Non-Controlling Interest	(1,434,083)	21,384,005	11,675,127	36,634,159	-	-	-	-
Total	125,760,142	1,312,889,598	2,663,473,578	4,337,757,105	128,686,841	1,269,248,772	2,639,646,789	4,262,993,515

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	12.82%	12.82%	13.39%	13.39%	12.81%	12.81%	13.37%	13.37%
Non-Performing Loan (NPL) to Total Loan	1.12%	1.12%	0.88%	0.88%	1.12%	1.12%	0.88%	0.88%
Total loan loss provision to Total NPL	174.77%	174.77%	200.19%	200.19%	174.77%	174.77%	200.19%	200.19%
Cost of Funds	7.31%	7.31%	5.09%	5.09%	7.31%	7.31%	5.09%	5.09%
Credit to Deposit Ratio	89.75%	89.75%	83.97%	83.97%	89.75%	89.75%	83.97%	83.97%
Base Rate	9.53%	9.53%	6.99%	6.99%	9.53%	9.53%	6.99%	6.99%
Interest Rate Spread	3.74%	3.74%	3.90%	3.90%	3.74%	3.74%	3.90%	3.90%
Return on Equity (Annualized)	9.78%	13.25%	25.88%	15.66%	9.99%	13.35%	25.87%	15.42%
Return on Assets (Annualized)	0.88%	1.19%	2.06%	1.25%	0.85%	1.18%	2.02%	1.21%

Notes

- The above figures are subject to change as per the direction of the regulators and/or statutory auditor.
- The figures for corresponding previous year quarter have been restated and regrouped wherever necessary.
- Loans and advances include accrued interest receivable & staff loans and are presented net of impairment charges. Impairment loss on loans and advances has been measured at higher amount derived as per norms prescribed by NRB and as per Para 63 of NAS 39.
- Provision for Gratuity and Leave encashment have been provided for as per estimated actuarial valuation and hence actuarial gain/loss has not been seperately disclosed. The provision created and expense booked might vary if actuarial valuation is conducted by a certified actuary.
- CD ratio of previous year quarter has been restated in line with the current CD ratio computation method as prescribed by NRB.
- Quarterly average base rate of the Bank for third quarter of FY 2078/79 is 9.28%.
- 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.
- Detailed interim report has been published in Bank's website (www.siddharthabank.com).

Statement of Distributable Profit

Amount in NPR

Opening retained earnings	164,283,921
Net Profit for the period ended Chaitra 2078	2,088,561,910
1. Appropriations	1,090,698,039
1.1 Profit required to be appropriated to Statutory Reserve	417,712,382
a. General Reserve	-
b. Capital Redemption Reserve	-
c. Exchange Fluctuation Fund	10,905,495
d. Corporate Social Responsibility Fund	20,885,619
e. Employees Training Fund	-
f. Debenture Redemption Reserve	-
g. Others	641,194,543
1.2 Profit required to be transferred to Regulatory Reserve	143,354,326
a. Transfer to Regulatory Reserve	143,354,326
b. Transfer from Regulatory Reserve	-
Total distributable profit as of Chaitra 30, 2078	1,018,793,466

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

Particulars	Payment Solutions		Remittance		Treasury		Microbanking		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	Current Quarter	Corresponding Previous Year Quarter	Current Quarter	Corresponding Previous Year Quarter
Revenues from external customers	367,225,804	256,385,469	43,098,865	45,649,025	2,078,674,700	1,871,115,448	252,695,678	402,505,364	13,640,377,183	10,481,626,395	16,382,072,230	13,057,281,700
Intersegment revenues	-	-	124,547,858	76,074,512	83,584,211	69,118,855	-	-	5,303,105,889	4,490,746,533	5,511,237,958	4,635,939,900
Segment Profit (Loss) before tax	115,332,520	83,739,189	43,887,079	55,755,831	1,298,942,641	1,434,316,867	238,907,856	334,375,041	1,314,088,228	1,076,185,092	3,011,156,324	2,984,372,019
Segment assets	425,987,622	318,518,127	2,140,202,407	1,562,519,813	20,104,108,370	18,933,455,354	3,031,438,187	2,678,589,833	221,421,504,841	206,164,547,488	247,123,241,427	229,657,630,615
Segment liabilities	304,229,821	228,557,808	2,094,069,312	1,504,830,061	18,803,871,928	17,482,981,027	2,790,445,997	2,342,044,100	223,130,624,370	208,099,217,619	247,123,241,427	229,657,630,615

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 S