

Siddhartha Bank Limited

Unaudited Financial Results

3rd Quarter of Fiscal Year 2079/80

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	11,802,661,509	7,936,444,278	11,936,895,521	7,928,989,024
Due from Nepal Rastra Bank	7,775,570,067	5,730,448,535	7,775,570,067	5,730,448,535
Placements with Bank and Financial Institutions	1,293,893,816	320,313,255	1,293,893,816	320,313,255
Derivative financial instruments	5,054,021	19,694,323	5,054,021	19,694,323
Other trading assets	159,326,147	158,762,749	-	-
Loans and advances to B/FIs	5,966,348,020	6,403,394,142	5,966,348,020	6,403,394,142
Loans and advances to customers	181,502,125,045	178,597,694,694	181,491,543,049	178,587,363,232
Investment securities	57,619,465,229	57,591,637,732	57,255,339,229	57,368,161,732
Current tax assets	567,804,948	214,652,905	558,514,814	221,065,203
Investment in subsidiaries	-	-	51,000,000	-
Investment in associates	-	-	-	-
Investment property	312,871,374	213,307,612	312,871,374	213,307,612
Property and equipment	3,275,948,377	3,111,858,718	3,247,059,261	3,077,068,355
Goodwill and Intangible assets	149,522,704	73,722,348	147,770,528	71,490,971
Deferred tax assets	-	-	-	-
Other assets	3,877,376,166	4,364,344,920	3,789,910,325	4,334,727,127
Total Assets	274,307,967,423	264,736,276,211	273,831,770,025	264,327,023,510
Liabilities				
Due to Bank and Financial Institutions	9,200,983,615	7,234,641,506	9,200,983,615	7,234,641,506
Due to Nepal Rastra Bank	4,613,071,417	24,965,102,753	4,613,071,417	24,965,102,753
Derivative financial instruments	4,863,049	19,359,606	4,863,049	19,359,606
Deposits from customers	212,134,246,223	191,156,475,501	212,563,318,149	191,550,643,583
Borrowing	7,202,250,000	1,022,800,000	7,202,250,000	1,022,800,000
Current Tax Liabilities	-	-	-	-
Provisions	-	-	-	-
Deferred tax liabilities	228,896,444	222,407,228	245,712,504	239,223,287
Other liabilities	5,883,940,245	6,468,899,300	5,333,303,873	6,034,819,684
Debt securities issued	11,662,559,000	11,662,559,000	11,662,559,000	11,662,559,000
Subordinated Liabilities	-	-	-	-
Total liabilities	250,930,809,994	242,752,244,893	250,826,061,608	242,729,149,419
Equity				
Share capital	14,089,980,190	12,524,426,835	14,089,980,190	12,524,426,835
Share premium	-	-	-	-
Retained earnings	(376,418,238)	1,449,435,636	(456,641,017)	1,359,868,480
Reserves	9,456,595,462	7,795,961,806	9,372,369,245	7,713,578,776
Total equity attributable to equity holders	23,170,157,414	21,769,824,277	23,005,708,418	21,597,874,092
Non-controlling interest	207,000,016	214,207,041	-	-
Total equity	23,377,157,429	21,984,031,318	23,005,708,418	21,597,874,092
Total liabilities and equity	274,307,967,423	264,736,276,211	273,831,770,025	264,327,023,510

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	6,893,030,477	20,337,727,672	5,419,432,900	14,412,608,378	6,883,368,818	20,305,997,159	5,408,771,932	14,387,361,217
Interest expense	4,822,976,455	14,222,092,537	3,652,574,649	9,621,797,439	4,825,085,050	14,229,839,242	3,654,364,482	9,626,004,746
Net interest income	2,070,054,022	6,115,635,135	1,766,858,251	4,790,810,939	2,058,283,769	6,076,157,917	1,754,407,450	4,761,356,471
Fees and commission income	478,493,967	1,306,849,024	385,228,741	1,252,664,982	446,127,802	1,220,785,224	344,321,720	1,108,437,607
Fees and commission expense	84,620,714	262,071,606	90,921,392	257,733,420	78,711,287	240,557,217	76,359,580	225,899,987
Net fee and commission income	393,873,253	1,044,777,418	294,307,349	994,931,562	367,416,515	980,228,006	267,962,140	882,537,620
Net interest, fee and commission income	2,463,927,275	7,160,412,553	2,061,165,600	5,785,742,501	2,425,700,284	7,056,385,923	2,022,369,590	5,643,894,091
Net trading income	3,878,595	131,074,731	74,429,343	309,832,201	21,293,503	145,234,310	102,448,718	355,034,252
Other operating income	87,003,586	301,591,431	79,678,882	541,505,301	84,028,859	287,229,951	78,566,529	523,629,432
Total operating income	2,554,809,456	7,593,078,716	2,215,273,825	6,637,080,003	2,531,022,646	7,488,850,185	2,203,384,837	6,522,557,775
Impairment charge/(reversal) for loan and other losses	969,616,254	2,162,091,824	358,507,020	429,692,739	969,616,254	2,162,091,824	358,507,020	429,692,739
Net operating income	1,585,193,201	5,430,986,891	1,856,766,805	6,207,387,264	1,561,406,392	5,326,758,360	1,844,877,817	6,092,865,036
Operating expense								
Personnel expense	730,421,481	2,170,425,660	779,672,850	2,160,863,090	720,685,724	2,139,127,029	771,361,315	2,128,938,184
Other operating expense	308,942,697	902,566,435	294,976,921	824,022,361	304,283,850	887,475,014	287,844,445	805,887,423
Depreciation & Amortisation	58,154,075	169,003,901	46,757,038	139,976,690	55,953,589	162,405,653	46,131,037	137,646,586
Operating Profit	487,674,949	2,188,990,896	735,359,996	3,082,525,123	480,483,228	2,137,750,665	739,541,020	3,020,392,843
Non operating income	93,587	1,280,632	129,598	7,821,477	93,587	1,280,632	129,573	7,609,720
Non operating expense	1,551,732	1,551,732	150,000	16,844,239	1,551,732	1,551,732	150,000	16,844,239
Profit before income tax	486,216,803	2,188,719,796	735,339,594	3,073,502,361	479,025,083	2,137,479,564	739,520,593	3,011,158,324
Income tax expense								
Current Tax	152,857,723	663,326,973	227,018,183	941,299,625	150,123,830	647,378,527	228,272,483	922,596,414
Deferred Tax	-	-	-	-	-	-	-	-
Profit for the period	333,359,080	1,525,392,823	508,321,411	2,132,202,736	328,901,252	1,490,101,037	511,248,110	2,088,561,910
Condensed Consolidated Statement of Comprehensive Income								
Profit or loss for the period	333,359,080	1,525,392,823	508,321,411	2,132,202,736	328,901,252	1,490,101,037	511,248,110	2,088,561,910
Other Comprehensive Income	(329,805,772)	15,141,506	(382,561,269)	(819,313,138)	(329,805,772)	15,141,506	(382,561,269)	(819,313,138)
Total Comprehensive Income	3,553,308	1,540,534,329	125,760,142	1,312,889,598	(904,519)	1,505,242,544	128,686,841	1,269,248,772
Basic earnings per share	9.64	14.42	14.84	20.10	9.57	14.24	14.88	19.89
Diluted earnings per share	9.64	14.42	14.84	20.10	9.57	14.24	14.88	19.89
Profit attributable to:								
Equity holders of the Bank	1,368,973	1,523,241,354	127,194,225	1,291,505,593	(904,519)	1,505,242,544	128,686,841	1,269,248,772
Non-Controlling Interest	2,184,335	17,292,975	(1,434,083)	21,384,005	-	-	-	-
Total	3,553,308	1,540,534,329	125,760,142	1,312,889,598	(904,519)	1,505,242,544	128,686,841	1,269,248,772

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	12.03%	12.03%	12.82%	12.82%	12.02%	12.02%	12.81%	12.81%
Non-Performing Loan (NPL) to Total Loan	3.95%	3.95%	1.12%	1.12%	3.95%	3.95%	1.12%	1.12%
Total loan loss provision to Total NPL	79.39%	79.39%	174.77%	174.77%	79.39%	79.39%	174.77%	174.77%
Cost of Funds	8.36%	8.36%	7.31%	7.31%	8.36%	8.36%	7.31%	7.31%
Credit to Deposit Ratio	80.41%	80.41%	89.75%	89.75%	80.41%	80.41%	89.75%	89.75%
Base Rate	10.45%	10.45%	9.53%	9.53%	10.45%	10.45%	9.53%	9.53%
Interest Rate Spread	4.18%	4.18%	3.74%	3.74%	4.18%	4.18%	3.74%	3.74%
Return on Equity (Annualized)	5.99%	8.96%	9.78%	13.25%	6.05%	9.00%	9.99%	13.35%
Return on Assets (Annualized)	0.50%	0.75%	0.88%	1.19%	0.50%	0.75%	0.85%	1.18%

- 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 carve out issued by The Institute of Chartered Accountants of Nepal regarding Para 5.5-Impairment.
 - 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.
 - Quarterly average base rate of the Bank for third quarter of FY 2079/80 is 10.61%.
 - 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

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	1,490,101,037	2,088,561,910
Appropriations:		
a. General reserve	(298,020,207)	(417,712,382)
b. Foreign exchange fluctuation fund	(20,558,010)	(10,905,495)
c. Capital redemption reserve	(1,095,319,875)	(641,194,543)
d. Corporate social responsibility fund	(14,901,010)	(20,885,619)
e. Employees' training fund	-	-
f. Other	-	-
Profit or (loss) before regulatory adjustment	61,301,935	997,863,871
Regulatory adjustments:		
a. Interest receivable (-)/previous accrued interest received (+)	(667,135,361)	(190,451,596)
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 (+)	(62,725,170)	47,097,270
e. Deferred tax assets recognised (-)/ reversal (+)	-	-
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	-	-
i. Other	-	-
Net Profit for the quarter ended Chaitra 2079 available for distribution	(668,558,597)	854,509,546
Opening Retained Earning as on Shrawan 1, 2079	1,359,868,480	1,808,628,800
Adjustment (+/-)	-	-
Distribution:		
Bonus shares issued	(1,065,553,356)	(1,562,127,636)
Cash Dividend Paid	(82,397,545)	(82,217,244)
Total Distributable profit or (loss) as on Chaitra 30, 2079	(456,641,017)	1,018,793,466
Annualised Distributable Profit/Loss per share	(4.37)	10.92

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 and Treasury. Treasury Department acts as the fund manager of the Bank.

Particulars	Payment Solution		Remittance		Treasury		Banking		Total	
	Current Quarter	Corresponding Previous Year Quarter	Current Quarter	Corresponding						