

**Everest Bank Ltd**  
**Condensed Statement of Financial Position**  
**As on Quarter Ended 30 Chaitra 2075**

	Rs. In '000	
	This Quarter Ending	Immediate Previous year Ending
<b>Assets</b>		
Cash and cash equivalent	8,835,832	5,477,094
Due from Nepal Rastra Bank	13,428,830	12,343,115
Placement with Bank and Financial Institutions	4,489,232	8,352,394
Derivative financial instruments	55,475	-
Other trading assets	-	-
Loan and advances to B/FIs	6,643,671	3,879,042
Loans and advances to customers	102,321,468	85,738,443
Investment securities	20,641,672	14,208,640
Current tax assets	31,775	5,910
Investment in subsidiaries	-	-
Investment in associates	295,630	242,689
Investment property	2,203	7,343
Property and equipment	1,869,815	1,704,262
Goodwill and Intangible assets	45,926	19,284
Deferred tax assets	-	-
Other assets	654,106	594,200
<b>Total Assets</b>	<b>159,315,637</b>	<b>132,572,415</b>
<b>Liabilities</b>		
Due to Bank and Financial Institutions	527,164	611,099
Due to Nepal Rastra Bank	1,261,400	23,527
Derivative financial instruments	-	-
Deposits from customers	124,542,022	106,332,983
Borrowing	-	-
Current Tax Liabilities	-	-
Provisions	-	-
Deferred tax liabilities	77,264	181,651
Other liabilities	15,290,643	8,906,036
Debt securities issued	1,068,845	1,068,845
Subordinated Liabilities	-	-
<b>Total liabilities</b>	<b>142,767,339</b>	<b>117,124,141</b>
<b>Equity</b>		
Share capital	8,106,863	8,106,863
Share premium	238,470	238,470
Retained earnings	2,080,709	2,272,655
Reserves	6,122,256	4,830,287
<b>Total equity attributable to equity holders</b>	<b>16,548,298</b>	<b>15,448,275</b>
<b>Non-controlling interest</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>16,548,298</b>	<b>15,448,275</b>
<b>Total liabilities and equity</b>	<b>159,315,637</b>	<b>132,572,415</b>

## Condensed Statement of Profit or Loss For the Quarter ended 30 Chaitra 2075

Particulars	Current Year		Previous Year	
			Corresponding	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Interest income	3,265,365	9,472,027	2,506,270	7,208,895
Interest expense	1,830,160	5,365,740	1,314,734	3,695,452
<b>Net interest income</b>	<b>1,435,205</b>	<b>4,106,287</b>	<b>1,191,536</b>	<b>3,513,443</b>
Fee and commission income	211,322	736,108	219,071	643,752
Fee and commission expense	27,525	77,655	26,192	72,090
<b>Net fee and commission income</b>	<b>183,797</b>	<b>658,453</b>	<b>192,879</b>	<b>571,662</b>
<b>Net interest, fee and commission income</b>	<b>1,619,002</b>	<b>4,764,740</b>	<b>1,384,415</b>	<b>4,085,105</b>
Net trading income	92,828	224,141	61,942	149,958
Other operating income	33,500	86,472	26,359	56,836
<b>Total operating income</b>	<b>1,745,331</b>	<b>5,075,352</b>	<b>1,472,716</b>	<b>4,291,899</b>
Impairment charge/(reversal) for loans and other losses	27,695	138,731	26,538	94,998
<b>Net operating income</b>	<b>1,717,636</b>	<b>4,936,621</b>	<b>1,446,179</b>	<b>4,196,901</b>
<b>Operating expense</b>				
Personnel expenses	389,650	1,193,507	362,814	1,086,050
Other operating expenses	171,091	480,448	136,404	377,204
Depreciation & Amortisation	33,692	96,406	19,384	58,391
<b>Operating Profit</b>	<b>1,123,204</b>	<b>3,166,260</b>	<b>927,577</b>	<b>2,675,257</b>
Non-operating income	-	-	-	-
Non-operating expense	174	494	121	898
<b>Profit before income tax</b>	<b>1,123,030</b>	<b>3,165,766</b>	<b>927,456</b>	<b>2,674,359</b>
Income tax expense				
Current Tax	336,909	949,730	278,237	802,308
Deferred Tax	-	-	-	-
<b>Profit for the period</b>	<b>786,121</b>	<b>2,216,036</b>	<b>649,219</b>	<b>1,872,051</b>

## Statement of Comprehensive Income

Particulars	Current Year		Rs. In '000 Previous Year Corresponding	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
	Profit for the Period	786,121	2,216,036	649,219
<b>Other comprehensive income, net of income tax</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Gains/(losses) from investments in equity instruments measured at fair value	99,825	(170,033)	(22,031)	(107,502)
Gains/(losses) on revaluation	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	(25,659)	(26,840)	(10,525)	(31,576)
Income tax relating to above items	-	-	-	-
<b>Net other comprehensive income that will not be reclassified to profit or loss</b>	<b>74,166</b>	<b>(196,873)</b>	<b>(32,556)</b>	<b>(139,078)</b>
<b>Items that are or may be reclassified to profit or loss</b>				
Gains/(losses) on cash flow hedge	-	-	-	-
Exchange gains/(losses) (arising from translating financial assets of foreign operation)	-	-	-	-
Income tax relating to above items	-	-	-	-
<b>Net other comprehensive Income that are or may be reclassified to profit or loss</b>				
<b>Share of other comprehensive income of associate accounted as per equity method</b>				
<b>Other comprehensive income for the year, net of income tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>860,287</b>	<b>2,019,164</b>	<b>616,663</b>	<b>1,732,973</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Bank	860,287	2,019,164	616,663	1,732,973
Non-controlling interest	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>860,287</b>	<b>2,019,164</b>	<b>616,663</b>	<b>1,732,973</b>
<b>Earnings per share</b>				
Basic earnings per share		27.61		23.77
Annualized Basic Earnings per share		36.81		31.69
Diluted Earnings per Share		36.45		31.37

# Condensed Statement of changes in equity

For the year ended 30 Chaitra 2075

Rs. In '000

	Attributable to equity holders of the Bank											Non-controlling interest	Total equity
	Share Capital	Share premium	General reserve	Exchange equalisation reserve	Regulatory reserve	Fair value reserve	Debenture Redemption Reserve	Revaluation Reserve	Retained earning	Other reserve	Total		
<b>Balance at Shawan 1, 2074</b>	<b>5,741,095</b>	<b>-</b>	<b>2,687,894</b>	<b>28,236</b>	<b>-</b>	<b>660,854</b>	<b>474,425</b>	<b>968,943</b>	<b>2,497,054</b>	<b>149,013</b>	<b>13,207,514</b>	<b>-</b>	<b>13,207,514</b>
<b>Comprehensive income for the period</b>													
<b>Profit for the period</b>									<b>1,872,051</b>		<b>1,872,051</b>		<b>1,872,051</b>
<b>Other comprehensive income, net of tax</b>													
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(107,502)</b>	<b>-</b>	<b>-</b>	<b>1,872,051</b>	<b>(31,576)</b>	<b>1,732,973</b>		<b>1,732,973</b>
<b>Contributions from and distributions to owners</b>													
Right share issued (Calls in Advance)	(1,134,669)	238,470									(896,199)		(896,199)
Right share issued	1,508,809										1,508,809		1,508,809
Share based payments													
<b>Dividends to equity holders</b>													
Bonus shares issued	1,991,628								(1,991,628)				
Cash dividend paid													
Dividends to shareholders (ordinary)									(104,823)		(104,823)		(104,823)
Dividends to shareholders (preference)													
<b>Total contributions by and distributions</b>	<b>2,365,768</b>	<b>238,470</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,096,450)</b>	<b>-</b>	<b>507,788</b>	<b>-</b>	<b>507,788</b>
<b>Balance at Chaitra End 2074</b>	<b>8,106,863</b>	<b>238,470</b>	<b>2,687,894</b>	<b>28,236</b>	<b>-</b>	<b>553,352</b>	<b>474,425</b>	<b>968,943</b>	<b>2,272,664</b>	<b>117,437</b>	<b>15,448,275</b>	<b>-</b>	<b>15,448,275</b>
<b>Balance at Shawan 1, 2075</b>	<b>8,106,863</b>	<b>238,470</b>	<b>3,204,230</b>	<b>30,162</b>	<b>534,428</b>	<b>547,282</b>	<b>641,310</b>	<b>968,943</b>	<b>1,739,036</b>	<b>123,783</b>	<b>16,134,507</b>	<b>-</b>	<b>16,134,507</b>
<b>Comprehensive income for the period</b>													
<b>Profit for the period</b>									<b>2,216,036</b>		<b>2,216,036</b>		<b>2,216,036</b>
<b>Other comprehensive income, net of tax</b>													
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(170,033)</b>	<b>-</b>	<b>-</b>	<b>2,216,036</b>	<b>(26,840)</b>	<b>2,019,164</b>		<b>2,019,164</b>
<b>Contributions from and distributions to owners</b>													
Share issues													
Share based payments													
<b>Dividends to equity holders</b>													
Bonus shares issued													
Cash dividend paid													
Dividends to shareholders (ordinary)									(1,605,373)		(1,605,373)		(1,605,373)
Dividends to shareholders (preference)													
<b>Total contributions by and distributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,605,373)</b>	<b>-</b>	<b>(1,605,373)</b>	<b>-</b>	<b>(1,605,373)</b>
<b>Balance at Chaitra End 2075</b>	<b>8,106,863</b>	<b>238,470</b>	<b>3,204,230</b>	<b>30,162</b>	<b>803,418</b>	<b>377,250</b>	<b>641,310</b>	<b>968,943</b>	<b>2,080,718</b>	<b>96,943</b>	<b>16,548,298</b>	<b>-</b>	<b>16,548,298</b>

**Ratios as per NRB Directive**

<b>Particulars</b>	<b>Current Year</b>		<b>Previous Year</b>	
	<b>This Quarter</b>	<b>Upto This Quarter (YTD)</b>	<b>This Quarter</b>	<b>Upto This Quarter (YTD)</b>
Capital Fund to RWA		13.38%		15.70%
Non-Performing Loan (NPL) to Total Loan		0.18%		0.23%
Total Loan Loss Provision to Total NPL		638.81%		533.99%
Cost of Funds		6.07%		5.39%
Credit to Deposit Ratio (CCD ratio)		76.69%		75.65%
Base Rate		8.01%		8.18%
Interest Rate Spread		4.69%		4.75%
Market Share Price (in Rs.)		600		797
Return on Total Net Assets (Annualized in %)		2.02%		1.95%
Return on Equity (Annualized in %)		21.30%		19.91%
Net Worth Per share (in Rs.)		205.16		172.93
Total Assets Per Share (in Rs.)		1,818.19		1,636.60

## Condensed Statement of Cash Flows

For the quarter ended 30 Chaitra 2075

Particulars	Rs. In '000	
	Upto This Quarter	Corresponding Previous Year Upto this Quarter
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received	8,379,922	6,463,473
Fees and other income received	736,108	643,752
Dividend received	-	-
Receipts from other operating activities	174,874	150,301
Interest paid	(5,441,609)	(3,461,726)
Commission and fees paid	(77,655)	(72,090)
Cash payment to employees	(1,113,212)	(954,105)
Other expense paid	(480,448)	(377,204)
<b>Operating cash flows before changes in operating assets and liabilities</b>	<b>2,177,979</b>	<b>2,392,401</b>
<b>(Increase)/Decrease in operating assets</b>		
Due from Nepal Rastra Bank	5,509,917	2,233,968
Placement with bank and financial institutions	(1,198,232)	(5,001,644)
Other trading assets	-	-
Loan and advances to bank and financial institutions	(2,413,125)	(593,879)
Loans and advances to customers	(12,099,889)	(9,845,344)
Other assets	290,575	1,332,193
<b>Increase/(Decrease) in operating liabilities</b>		
Due to bank and financial institutions	(388,914)	(463,512)
Due to Nepal Rastra Bank	1,234,688	8,766
Deposit from customers	9,030,316	12,241,091
Borrowings	-	-
Other liabilities	4,150,457	1,271,378
<b>Net cash flow from operating activities before tax paid</b>	<b>6,293,772</b>	<b>3,575,419</b>
Income taxes paid	(970,590)	(790,623)
<b>Net cash flow from operating activities</b>	<b>5,323,182</b>	<b>2,784,796</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investment securities	(5,519,390)	(6,663,437)
Receipts from sale of investment securities	-	-
Purchase of property and equipment	(113,156)	(115,234)
Receipt from the sale of property and equipment	12,871	11,988
Purchase of intangible assets	(31,368)	(8,935)
Receipt from the sale of intangible assets	-	-
Purchase of investment properties	-	-
Receipt from the sale of investment properties	-	-
Interest received	632,283	348,323
Dividend received	38,903	7,892
<b>Net cash used in investing activities</b>	<b>(4,979,858)</b>	<b>(6,419,402)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipt from issue of debt securities	-	-
Repayment of debt securities	-	-
Receipt from issue of subordinated liabilities	-	-
Repayment of subordinated liabilities	-	-
Receipt from issue of shares	-	612,610
Dividends paid	(1,494,514)	(111,166)
Interest paid	(77,957)	(63,252)
Other receipt/payment	-	-
<b>Net cash from financing activities</b>	<b>(1,572,470)</b>	<b>438,192</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,229,146)</b>	<b>(3,196,414)</b>
Cash and cash equivalents at Shawan 1, 2075	10,065,423	8,667,840
Effect of exchange rate fluctuations on cash and cash equivalents held	(444)	5,668
<b>Cash and cash equivalents at Chaitra End 2075</b>	<b>8,835,832</b>	<b>5,477,094</b>

## **1. Basis of preparation**

The interim financial statements of the Bank have been prepared in accordance with the Nepal Financial Reporting Standards (NFRS) adopted by the Accounting Standard Board of Nepal.

## **2. Statement of Compliance**

The interim financial statements of the Bank have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) to the extent applicable and as issued by Accounting Standard Board- Nepal

## **3. Use of Estimates, assumptions and judgments**

The preparation of the interim financial statements in accordance with NFRS requires management to make judgements, estimates and assumptions in applying the accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Due to the inherent uncertainty in making estimates, actual results reported in future periods may be based upon amounts which differ from those estimates. Estimates, judgements and assumptions are periodically evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized prospectively.

## **4. Changes in Accounting policies**

The bank has adopted NFRS 09 for classification of financial instruments, earlier classified as per NAS 39, as issued by ASB Nepal, which resulted in changes in accounting policies and adjustments to the amounts previously recognized in the interim financial statements.

## **5. Significant Accounting Policies**

### **a. Basis of Measurement**

The interim financial statements have been prepared on historical cost basis except for following material items in the statement of financial position:

- Financial assets other than measured at amortized cost are measured at fair value
- Non-derivative financial instruments at fair value through profit or loss are measured at fair value
- Derivative financial instruments are measured at fair value, if any
- Inventories are measured at cost or net realizable value whichever is lower
- Net defined benefit liabilities are measured at Present Value of Defined Benefits Obligation less the Total Plan Assets.

### **b. Basis of Consolidation**

The bank does not have control over any other entity for consolidation of financial statements. Investments in associates are accounted for in financial statements as per equity method although associate's financial statements are not prepared using uniform accounting policies for like transactions and events in similar circumstances as it is impracticable to do so.

### **c. Cash and Cash Equivalent**

Cash and cash equivalent comprise the total amount of cash-in -hand, balances with other bank and financial institutions, money at call and short notice, and highly liquid financial assets with original maturities period of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the bank in the management of its short-term commitments.

Cash and Cash equivalents are measured at amortized cost in the statement of financial position.

**d. Financial assets and Financial liabilities**

The bank classifies its financial assets into the following measurement categories:

- a) financial assets held at fair value through profit or loss;
- b) financial assets held at fair value through Other Comprehensive Income, and
- c) financial assets held at amortized cost.

Financial liabilities are classified as either

- a) held at fair value through profit or loss, or
- b) held at amortized cost.

**e. Recognition**

The Bank initially recognizes a financial asset or a financial liability in its statement of financial position when, and only when, it becomes party to the contractual provisions of an instrument. The Bank initially recognizes loans and advances, deposits; and debt securities/ subordinated liabilities issued on the date that they are originated which is the date that the Bank becomes party to the contractual provisions of the instruments. Investments in equity instruments, bonds, debenture, Government securities, NRB bond or deposit auction, reverse repos, outright purchase are recognized on trade date at which the Bank commits to purchase/ acquire the financial assets. Regular purchase and sale of financial assets are recognized on trade date.

**f. Measurement**

**Initial Measurement**

At initial recognition, the bank measures a financial assets or financial liability at its fair value plus or minus, in the case of financial asset or financial liability not at fair value through profit or loss, transaction cost that are incremental and directly attributable to the acquisition or issue of the financial assets or financial liability, such as commission and fees. The transaction cost of financial assets and financial liabilities carried at fair value through profit of loss are expensed in profit or loss.

**Subsequent Measurement**

A financial asset or financial liability is subsequently measured either at fair value or at amortized cost based on the classification of the financial asset or liability.

**g. Derecognition**

**Derecognition of Financial Assets**

The Bank derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Bank neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset.

**Derecognition of Financial Liabilities**

A financial liability is derecognized when, and only when it is extinguished (i.e. when the obligation specified in contract is discharged, cancelled or expired). If the liability is renegotiated with the original lender on substantially different contractual terms, the original liability is derecognized and new liability is recognized.

**Determination of Fair Value**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date.

**h. Impairment**

At each reporting date, the Bank assesses whether there is objective evidence that a financial asset or group of financial assets not carried at fair value through The Statement of Profit or Loss are impaired.

However, in case of loans and advances, impairment loss is measured as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per NAS 39 para 63.

**i. Trading Assets**

The Bank classifies financial assets or financial liabilities as held for trading when they have been purchased or issued primarily for short term profit making through trading activities or form part of a portfolio of financial instruments that are managed together for which there is evidence of a recent pattern of short-term profit taking. Held for trading assets and liabilities are recorded and measured in the statement of financial position at fair value. Changes in fair value are recognized in net trading income. Interest and dividend income or expense is recorded in net trading income according to the terms of the contract, or when the right to payment has been established. Included in this classification are debt securities, equities, short positions and customer loans that have been acquired principally for the purpose of selling or repurchasing in the near term.

**j. Property, Plant and Equipment**

All Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the bank and the cost of the item can be measured reliably.

**k. Goodwill and Intangible assets**

Intangible assets include externally generated capitalized software enhancements. Intangible assets, which have been determined to have a finite useful life, are amortized on a straight-line basis over their estimated useful life. Intangible assets with finite useful lives are reviewed at each reporting date to assess whether there is any indication that they are impaired. If any such indication exists the recoverable amount of the asset is determined and, in the event, that the asset's carrying amount is greater than its recoverable amount, it is written down immediately.

**l. Investment Property and Noncurrent Assets held for sale**

**Investment Property**

Investment property is the land or building or both held either for rental income or for capital appreciation or for both, but not sold in ordinary course of business and owner-occupied property.

**Non-Current Assets held for sale**

Non-current assets (or disposal groups) are classified as assets held for sale and carried at lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortized while they are classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognized as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognized) is recognized in the statement of Profit or Loss.

**m. Income Tax**

Current income tax which is payable on taxable profits is recognized as an expense in the period in which the profits arise.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted at the reporting date in Nepal.

**n. Deposit, Debt Securities issued and subordinated liabilities**

The estimated fair value of deposits with no stated maturity period is the amount repayable on demand. The estimated fair value of fixed interest bearing deposits and other borrowings without quoted market prices is based on discounting cash flows using the prevailing market rates for debts with a similar credit risk and remaining maturity period.

Debentures are recognized at amortized cost using effective interest rates. The coupon rates of these instruments represent the effective interest rates.

**o. Provisions**

Provisions are recognized when the Bank has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Bank determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in Statement of Profit or Loss net of any reimbursement in other operating expenses

**p. Revenue Recognition**

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the entity. In some cases, this may not be probable until the consideration is received or until an uncertainty is removed.

**(i) Interest income**

Interest income is recognized in the profit or loss as per accrual basis of accounting.

**(ii) Fees and Commission**

Fees and commission income including management fee, service charges, syndication fee and forex transaction commission are recognized as the related services are performed.

**(iii) Dividend Income**

Dividend on investment in resident company is recognized when the right to receive payment is established. Dividend income are presented in net trading income, net income from other financial instruments at fair value through profit or loss or other revenue based on the underlying classification of the equity instruments.

**(iv) Net trading income**

Gain and losses arising in changes in fair value of financial instrument held at fair value through profit or loss are included in Statement of Profit or Loss in the period in which they arise.

**(v) Interest Expenses**

Interest expense on all financial liabilities including deposits are recognized in profit or loss using effective interest rate method. Interest expense on all trading liabilities are considered to be

incidental to the Bank's trading operations and are presented together with all other changes in fair value of trading assets and liabilities in net trading income.

**(vi) Employees Benefits**

Short-term employee benefits, such as salaries, paid absences, performance-based cash awards and social security costs are recognized over the period in which the employees provide the related services.

**(vii) Foreign Currency Translation**

The interim financial statements are presented in Nepalese Rupees, which is the Company's functional and presentation currency.

**q. Share Capital and Reserve**

The Bank applies NAS 32, Financial Instruments: Presentation, to determine whether funding is either a financial liability (debt) or equity. Issued financial instruments or their components are classified as liabilities if the contractual arrangement results in the bank having a present obligation to either deliver cash or another financial asset, or a variable number of equity shares, to the holder of the instrument.

## 6. Segmental Information

### A. Information about reportable segments

(Rs. in '000)

Particulars	Province 1		Province 2		Province 3		Gandaki Province		Province 5		Karnali Province		Province 7		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	Current Quarter	Corresponding Previous Year Quarter	Current Quarter	Corresponding Previous Year Quarter
Revenues from external Customers	785,157	574,046	700,365	537,506	7,042,343	5,100,215	582,585	458,059	944,193	725,937	108,243	76,831	374,997	273,709	10,537,882	7,746,301
Intersegment Revenue	16,301	4,289	69,508	28,651	5,572,001	4,125,103	3,011	130	35,649	34,587	-	-	12,842	7,469	5,709,312	4,200,229
Gross Revenue	801,458	578,335	769,873	566,157	12,614,344	9,225,318	585,596	458,189	979,842	760,524	108,243	76,831	387,839	281,178	16,247,194	11,946,530
Interest Revenue	706,497	524,167	694,193	510,355	11,894,251	8,899,782	544,020	424,572	886,750	689,470	99,647	69,997	355,981	259,180	15,181,339	11,377,524
Interest Expenses	426,555	522,482	371,711	478,242	9,192,059	5,660,129	321,308	368,458	485,740	559,297	61,825	63,250	215,854	212,223	11,075,052	7,864,081
Net Interest Revenue	279,942	1,686	322,482	32,112	2,702,191	3,239,653	222,713	56,115	401,011	130,173	37,822	6,747	140,127	46,957	4,106,287	3,513,443
Depreciation & Amortisation	7,722	4,677	8,527	5,165	50,101	30,345	9,454	5,726	8,070	4,888	1,617	979	10,913	6,610	96,406	58,391
Segment Profit/(Loss)	291,835	190,329	302,980	208,101	1,970,221	1,925,888	187,743	141,559	384,404	290,755	33,258	23,270	102,110	87,889	3,272,551	2,867,790
Impairment of Assets	2,514.35	1,721.73	13,126	8,988	72,735	49,806	11,292	7,732	25,566	17,506	3,252	2,227	10,246	7,016	138,731	94,998
Segment assets	11,870,297	9,824,380	10,588,380	9,199,025	106,468,765	87,286,543	8,807,739	7,839,344	14,274,657	12,423,890	1,636,455	1,314,906	5,669,343	4,684,326	159,315,637	132,572,415
Segment Liabilities	10,637,315	8,679,574	9,488,553	8,127,090	95,409,732	77,115,298	7,892,869	6,925,848	12,791,932	10,976,171	1,466,475	1,161,684	5,080,462	4,138,475	142,767,339	117,124,141

### B. Reconciliation of reportable segment profit or loss

(Rs. in '000)

Profit or loss	Current Quarter	Corresponding Previous Year Quarter
Total profit or loss for reportable segments	3,272,551	2,867,790
Other profit or loss	-	-
Elimination of intersegment profits	-	-
Unallocated amounts:	-	-
Bonus expenses	(351,752)	(297,151)
Other adjustments	244,966	103,720
Profit before income tax	3,165,766	2,674,359

## 7. Related party disclosure

### Entity with significant influence over the bank

Followings have been identified as related parties for Everest Bank Limited under NAS 24

#### Related parties:

- 1) Punjab National Bank Limited – this is the joint-venture partner of the investors who established the bank
- 2) Key Management Personnel of the Bank – Bank is managed by three expatriates seconded from PNB group to oversee the management of the bank's functioning under a technical service agreement
- 3) Units and companies under PNB Group
- 4) Directors of the Bank
- 5) Relatives of directors and key management personnel
- 6) Forward Community Microfinance Limited
- 7) EBL Employee Retirement Fund

Rs. In '000

Particulars	1 <sup>st</sup> Shrawan to 30th Chaitra, 2075
<b>Directors:</b>	
Director's Sitting Fees	1,145,000
Other Expense	229,975
Interest Paid to directors on deposits	84,819,472
<b>Key Management Personnel (KMP):</b>	
Remuneration and benefits paid	18,935,028
Interest on account balances	429,634
<b>PNB Group</b>	
TSA Paid	99,28,149

Transactions	Amount (Rs. In '000)	Nature of relationship
Deposit	1,290,770	Director
Deposit	59,823	KMP

**8. Dividends paid (aggregate or per share) separately for ordinary shares and other shares.**

During this quarter, Cash Dividend @ 20% per share amounting to total Rs. 160.54 Crores from retained earning has been distributed to shareholders with the approval from 24th Annual General Meeting held on 10th Poush 2075.

**9. Issues, repurchases and repayments of debt and equity securities**

None

**10. Events after interim period**

There are no material events after Balance Sheet Date affecting financial status of the Bank as on Chaitra End, 2075.

**11. Effect of changes in the composition of the entity during the interim period including merger and acquisition**

There is no any merger or acquisition effecting the changes in the composition of the entity during the interim period as on Chaitra end, 2075.