

# MEGA BANK NEPAL LIMITED

## Condensed Consolidated Statement of Financial Position As on Quarter ended 30<sup>th</sup> Ashwin 2077

Amount in NPR

Particulars	Group		Bank	
	This Quarter Ending	Immediate Previous Year Ending	This Quarter Ending	Immediate Previous Year Ending
<b>Assets</b>				
Cash and cash equivalent	12,959,778,668	18,743,428,105	12,955,777,621	18,741,583,621
Due from Nepal Rastra Bank	3,626,816,461	3,599,948,114	3,626,816,461	3,599,948,114
Placement with Bank and Financial Institutions	196,174,352	221,203,982	21,174,352	51,203,982
Derivative financial instruments	645,365,156	517,813,851	645,365,156	517,813,851
Other trading assets	10,204,213	14,699,767	-	-
Loan and advances to B/Fs	4,216,915,330	3,323,388,689	4,216,915,330	3,323,388,689
Loans and advances to customers	117,693,270,451	110,503,635,993	117,693,270,451	110,503,635,993
Investments securities	15,256,135,428	15,467,550,948	15,256,135,428	15,467,550,948
Current tax assets	56,037,475	317,733,387	56,037,475	317,661,941
Investment in subsidiaries	-	-	200,000,000	200,000,000
Investment in associates	44,940,618	44,940,618	38,600,000	38,600,000
Investment property	134,769,614	219,897,315	134,769,614	219,897,315
Property and equipment	1,564,176,471	1,600,658,084	1,553,489,796	1,589,604,652
Goodwill and Intangible assets	64,851,586	69,271,521	64,090,450	68,463,202
Deferred tax assets	23,748,582	41,932,536	24,618,195	43,113,553
Other assets	1,189,750,206	998,729,142	1,188,963,835	989,301,394
<b>Total Assets</b>	<b>157,682,934,612</b>	<b>155,684,832,051</b>	<b>157,676,024,173</b>	<b>155,671,767,256</b>
<b>Liabilities</b>				
Due to Bank and Financial Institutions	4,395,965,226	4,214,934,770	4,395,965,226	4,214,934,770
Due to Nepal Rastra Bank	9,641,723	614,534,631	9,641,723	614,534,631
Derivative financial instruments	554,085,270	440,696,268	554,085,270	440,696,268
Deposits from customers	128,594,775,712	127,878,725,703	129,617,216,253	127,894,614,502
Borrowing	2,357,149,793	2,440,271,029	2,357,149,793	2,440,271,029
Current Tax Liabilities	-	-	-	-
Provisions	-	-	-	-
Deferred tax liabilities	-	-	-	-
Other liabilities	3,288,119,977	2,273,293,918	2,284,808,056	2,268,318,530
Debt securities issued	-	-	-	-
Subordinated Liabilities	-	-	-	-
<b>Total liabilities</b>	<b>139,199,737,702</b>	<b>137,862,456,318</b>	<b>139,218,866,322</b>	<b>137,873,369,730</b>
<b>Equity</b>				
Share capital	13,138,621,453	13,138,621,453	13,138,621,453	13,138,621,453
Share premium	27,897,038	27,897,038	27,897,038	27,897,038
Retained earnings	2,315,594,548	1,224,158,544	2,291,144,276	1,200,180,338
Reserves	3,001,083,871	3,431,698,697	2,999,495,084	3,431,698,697
<b>Total equity attributable to equity holders</b>	<b>18,483,196,910</b>	<b>17,822,375,733</b>	<b>18,457,157,851</b>	<b>17,798,397,526</b>
<b>Non-controlling interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>18,483,196,910</b>	<b>17,822,375,733</b>	<b>18,457,157,851</b>	<b>17,798,397,526</b>
<b>Total liabilities and equity</b>	<b>157,682,934,612</b>	<b>155,684,832,051</b>	<b>157,676,024,173</b>	<b>155,671,767,256</b>

## Condensed Consolidated Statement of Profit or Loss For the Quarter ended 30<sup>th</sup> Ashwin 2077

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	3,425,370,447	3,425,370,447	2,619,187,275	2,619,187,275	3,421,810,136	3,421,810,136	2,615,513,586	2,615,513,586
Interest expense	2,089,616,434	2,089,616,434	1,560,466,419	1,560,466,419	2,090,318,411	2,090,318,411	1,561,143,092	1,561,143,092
<b>Net interest income</b>	<b>1,335,754,013</b>	<b>1,335,754,013</b>	<b>1,058,720,855</b>	<b>1,058,720,855</b>	<b>1,331,491,724</b>	<b>1,331,491,724</b>	<b>1,054,370,494</b>	<b>1,054,370,494</b>
Fee and commission income	176,488,877	176,488,877	156,100,102	156,100,102	173,299,516	173,299,516	155,422,119	155,422,119
Fee and commission expense	12,911,198	12,911,198	9,297,012	9,297,012	12,011,820	12,011,820	9,020,441	9,020,441
<b>Net fee and commission income</b>	<b>163,577,679</b>	<b>163,577,679</b>	<b>146,803,091</b>	<b>146,803,091</b>	<b>161,287,696</b>	<b>161,287,696</b>	<b>146,401,678</b>	<b>146,401,678</b>
<b>Net interest, fee and commission income</b>	<b>1,499,331,691</b>	<b>1,499,331,691</b>	<b>1,205,523,946</b>	<b>1,205,523,946</b>	<b>1,492,779,421</b>	<b>1,492,779,421</b>	<b>1,200,772,171</b>	<b>1,200,772,171</b>
Net trading income	65,141,644	65,141,644	73,034,633	73,034,633	64,689,565	64,689,565	72,906,201	72,906,201
Other operating income	49,054,776	49,054,776	25,307,985	25,307,985	48,539,576	48,539,576	25,208,176	25,208,176
<b>Total operating income</b>	<b>1,613,528,111</b>	<b>1,613,528,111</b>	<b>1,303,866,564</b>	<b>1,303,866,564</b>	<b>1,606,008,561</b>	<b>1,606,008,561</b>	<b>1,298,886,548</b>	<b>1,298,886,548</b>
Impairment charge/(reversal) for loans and other losses	1,352,081	1,352,081	141,382,985	141,382,985	1,352,081	1,352,081	141,382,985	141,382,985
<b>Net operating income</b>	<b>1,612,176,030</b>	<b>1,612,176,030</b>	<b>1,162,483,579</b>	<b>1,162,483,579</b>	<b>1,604,656,480</b>	<b>1,604,656,480</b>	<b>1,157,503,563</b>	<b>1,157,503,563</b>
<b>Operating expense</b>								
Personnel expenses	466,843,241	466,843,241	352,329,904	352,329,904	464,208,458	464,208,458	349,922,904	349,922,904
Other operating expenses	198,371,355	198,371,355	146,855,966	146,855,966	196,824,672	196,824,672	145,350,746	145,350,746
Depreciation & Amortization	60,643,251	60,643,251	33,279,644	33,279,644	60,179,302	60,179,302	32,606,833	32,606,833
<b>Operating Profit</b>	<b>886,318,183</b>	<b>886,318,183</b>	<b>630,018,065</b>	<b>630,018,065</b>	<b>883,444,048</b>	<b>883,444,048</b>	<b>629,623,080</b>	<b>629,623,080</b>
Non operating income	1,547,419	1,547,419	1,245,727	1,245,727	1,547,419	1,547,419	361,923	361,923
Non operating expense	13,562,804	13,562,804	5,308,583	5,308,583	13,562,804	13,562,804	5,308,583	5,308,583
<b>Profit before income tax</b>	<b>874,302,798</b>	<b>874,302,798</b>	<b>625,955,209</b>	<b>625,955,209</b>	<b>871,428,663</b>	<b>871,428,663</b>	<b>624,676,420</b>	<b>624,676,420</b>
Income tax expense	264,338,060	264,338,060	187,386,973	187,386,973	263,524,778	263,524,778	187,268,477	187,268,477
Current Tax	265,853,546	265,853,546	188,992,822	188,992,822	264,728,859	264,728,859	188,874,327	188,874,327
Deferred Tax	(1,515,486)	(1,515,486)	(1,605,849)	(1,605,849)	(1,204,081)	(1,204,081)	(1,605,849)	(1,605,849)
<b>Profit/(loss) for the period</b>	<b>609,964,737</b>	<b>609,964,737</b>	<b>438,568,236</b>	<b>438,568,236</b>	<b>607,903,885</b>	<b>607,903,885</b>	<b>437,407,943</b>	<b>437,407,943</b>

## Condensed Consolidated Statement of Comprehensive Income

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)
Profit/(loss) for the period	609,964,737	609,964,737	438,568,236	438,568,236	607,903,885	607,903,885	437,407,943	437,407,943
Other Comprehensive Income	50,856,440	50,856,440	(45,118,777)	(45,118,777)	50,856,440	50,856,440	(45,118,777)	(45,118,777)
<b>Total Comprehensive Income</b>	<b>660,821,177</b>	<b>660,821,177</b>	<b>393,449,459</b>	<b>393,449,459</b>	<b>658,760,326</b>	<b>658,760,326</b>	<b>392,289,165</b>	<b>392,289,165</b>
Basic earnings per share		18.27		16.52		18.21		16.48
Diluted earnings per share		18.27		16.52		18.21		16.48
<b>Profit attributable to:</b>								
Equity holders of the Bank	660,821,177	660,821,177	393,449,459	393,449,459	658,760,326	658,760,326	392,289,165	392,289,165
Non-controlling interest	-	-	-	-	-	-	-	-
<b>Total</b>	<b>660,821,177</b>	<b>660,821,177</b>	<b>393,449,459</b>	<b>393,449,459</b>	<b>658,760,326</b>	<b>658,760,326</b>	<b>392,289,165</b>	<b>392,289,165</b>

## 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	12.94	12.94	15.49	15.49	12.79	12.79	15.27	15.27
Non-performing loan (NPL) to total loan	1.01	1.01	1.42	1.42	1.01	1.01	1.42	1.42
Total loan loss provision to Total NPL	211.15	211.15	135.36	135.36	211.15	211.15	135.36	135.36
Cost of Funds	6.18	6.18	7.40	7.40	6.18	6.18	7.40	7.40
Credit to Deposit Ratio	80.76	80.76	77.24	77.24	80.76	80.76	77.24	77.24
Base Rate (For the Month of Ashwin 2077)	8.00	8.00	10.19	10.19	8.00	8.00	10.19	10.19
Base Rate (Quarterly Average)	8.14	8.14	10.09	10.09	8.14	8.14	10.09	10.09
Interest Rate Spread (Calculated as per NRB Directives)	4.38	4.38	5.13	5.13	4.38	4.38	5.13	5.13

## Notes to Unaudited Financial Results

- Above financials have been prepared on accrual basis in accordance with NRB Directive No. 4 and applicable Nepal Financial Reporting Standards (NFRSs) by applying certain Carve-outs in NFRSs as issued by Institute of Chartered Accountants of Nepal (ICAN).
- Loans & Advances are presented net of Loan impairment charge. Loans & Advances also includes interest receivables on Loans together with Staff Loans & Advances.
- The Bank has measured impairment loss on Loans & Advances as the higher of the amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per paragraph 63 of NAS 39.
- Actuarial Valuation for Leave and Gratuity has been done on annual basis only.
- Immediate Previous Year Ending Figures are based on unaudited financial figures. The audit of Financial Statement of the Bank for FY 2076-77 is currently being in progress.
- The above figures are subject to change if directed by the Regulators and/or External Auditor.
- The above unaudited interim financial statements has been uploaded in the Bank's website : www.megabanknepal.com

## Related Party Disclosure

- Group Financials include Mega Bank Nepal Limited (Parent Company) and Mega Capital Markets Limited (Subsidiary Company).
- The Bank holds an associates namely Sparsha Laghubitta Bittiya Sanstha Limited and Aviyan Laghubitta Bittiya Sanstha Limited and accounted using equity method.
- All intra group transactions are conducted in arm's length basis.
- Following intra group transactions have taken place during the reporting period:

Particular	Mega Capital Markets Limited (NPR)
Deposit received from Subsidiary	1,022,935,420
Interest Paid to Subsidiary	701,978
Fee Income Paid	-
Receivable from Subsidiary	899,802.33
Payable to Subsidiary	450,000

- The intra-group transactions/figures have been eliminated in presentation of the financial position of the Group.
- The Bank's subsidiary company "Mega Stock Markets Limited" has obtained its legal identity from the Office of Company Registrar but yet to receive operating license. Mega Stock Markets Limited has not conducted any transaction upto first quarter ending FY 2077/78.

## Statement of Distributable Profit or Loss For the quarter ended 30<sup>th</sup> Ashwin 2077

Particulars	Amount (NPR)
<b>Net profit or (loss) as per statement of profit or loss</b>	<b>607,903,885</b>
<b>1. Appropriations</b>	
<b>1.1 Profit required to be appropriated to statutory reserve</b>	<b>127,659,816</b>
a. General Reserve	121,580,777
b. Capital Redemption Reserve	-
c. Exchange Fluctuation Fund	-
d. Corporate Social Responsibility Fund	6,079,039
e. Employees Training Fund	-
f. Other	-
<b>1.2 Profit required to be transfer to Regulatory Reserve</b>	<b>424,581,401</b>
a. Transfer to Regulatory Reserve	502,124,543
b. Transfer from Regulatory Reserve	(77,543,142)
<b>Distributable profit or (loss)</b>	<b>55,662,668</b>

## धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ को अनुसूची १४

(नियम २६ को उपनियम (१) सँग सम्बन्धित)

आर्थिक वर्ष २०७७/७८ को प्रथम त्रैमासिक प्रतिवेदन

## १. वित्तीय विवरण

(क) त्रैमासिक अवधिको वासलात, नाफा नोकसान सम्बन्धी विवरण ।

- आर्थिक वर्ष २०७७/७८ को प्रथम त्रैमासिक अवधिको वित्तीय विवरणहरु यसै साथ प्रकाशित गरिएको छ ।

- यस बैंकको पूर्ण स्वामित्वको सहायक कम्पनी मेगा क्यापिटल मार्केट्स लिमिटेड र सम्बद्ध कम्पनी स्पर्स लघुवित्त वित्तीय संस्था लिमिटेड र अभियान लघुवित्त वित्तीय संस्था लिमिटेडसंगको यसै साथ प्रकाशित वित्तीय प्रतिवेदनमा उल्लेखित कारोबारहरुका कारणबाट सिर्जित बाहेक अन्य सम्बन्धित पक्ष बीच कुनै कारोबार नभएको । साथै यस बैंकको पूर्ण स्वामित्वको सहायक कम्पनी मेगा स्टक मार्