

Everest Bank Limited
Disclosure under Basel III
As on April 13, 2026 (3rd Quarter end of FY 2082/83)

Capital Structure and Capital Adequacy:

• Tier 1 Capital and Breakdown of its Components:

	NPR in '000
Particulars	Amount
Common Equity Tier 1 (CET 1)	
Paid up Equity Share Capital	13,721,376
Equity Share Premium	238,470
Proposed Bonus Equity Shares	-
Statutory General Reserves	8,382,831
Retained Earnings	4,048,569
Unaudited current year cumulative profit/(loss)	-
Capital Redemption Reserve	-
Capital Adjustment Reserve	1,116,408
Debenture Redemption Reserve	2,063,708
Dividend Equalization Reserves	-
Bargain Purchase Gain	-
Other Free Reserve	88,630
Less: Goodwill	-
Less: Intangible Assets	202,670
Less: deferred tax assets- accumulated losses	-
Less: deferred tax assets- others	-
Less: Fictitious Assets	-
Less: Investment in equity in licensed Financial Institutions	-
Less: Investment in equity of institutions with financial interests	-
Less: Investment in equity of institutions in excess of limits	-
Less: Investments arising out of underwriting commitments	-
Less: Reciprocal crossholdings	-
Less: Purchase of land & building in excess of limit and unutilized	-
Less: Cash Flow Hedge	-
Less: Defined Benefits Pension Assets	-
Less: Unrecognized Defined Benefit Pension Liabilities	-
Less: Other Deductions	211,323
Adjustments under Pillar II	
Less: Shortfall in Provision(6.4 a 1)	-
Less: Loans and Facilities extended to related parties and restricted lending	-
Additional Tier 1 (AT 1)	
Perpetual Non Cumulative Preference Share Capital	-
Perpetual Debt Instruments	-
Stock Premium	-
Total (Tier 1) Capital	29,246,000

• Tier 2 Capital and Breakdown of its Components:

	NPR in '000
(B) Supplementary Capital (Tier 2)	Amount
Cumulative and/or Redeemable Preference Share	-
Subordinated Term Debt	4,200,000
Hybrid Capital Instruments	-
Stock Premium	-
General Loan Loss Provision	3,038,178
Exchange Equalization Reserve	74,561
Investment Adjustment Reserve	2,691
Accrued Interest Receivable on pass loan included in Regulatory Reserve	242,684
Regulatory reserve for non-banking assets recorded within the last 24 months.	336,174
Interest Capitalized Reserve included in Regulatory Reserve	43,564
Other Reserves	-
Total (Tier 2) Capital	7,937,852

• Details of Subordinated Term Debts : Debenture

	NPR in '000		
Interest Payment frequency:	Debenture Amount	Interest Rate	Period (Years)
Quarterly	2,000,000	10.50%	6
Half Yearly	856,783	8.50%	8
Quarterly	746,830	7.50%	10
Half Yearly	3,000,000	7.50%	10
Total	6,603,613		
Eligible Amount for Tier 2 Capital	4,200,000		

• Details of Hybrid Capital Instrument: Cumulative Convertible Preference Share

Maturity period:	N/A
Dividend Rate:	
Dividend Payment frequency:	
Amount(Initial)	
Eligible Amount for Tier 2 Capital	

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• Deductions from Capital:

The bank holds following items as stipulated in the Framework that qualifies for deduction from its core capital.

Particulars	Amount
Intangible Assets (Software)	202,670
Negative balances of reserve (actuarial loss)	211,323
Total Capital Fund	413,992

• Total Qualifying Capital: **NPR in '000**

Particulars	Amount
Core Capital (Tier 1)	29,246,000
Supplementary Capital (Tier 2)	7,937,852
Total Capital Fund	37,183,852

Risk Exposures:

• Risk weighted exposures for Credit Risk, Market Risk and Operation Risk

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	282,049,553
Risk Weighted Exposure for Operational Risk	13,788,260
Risk Weighted Exposure for Market Risk	306,818
Total	296,144,630

• Risk weighted exposures under each categories of Credit Risk: **NPR in '000**

Categorises	Risk Weighted Exposure
1. All Claims on Government of Nepal	-
2. Claims on Banks	6,523,917.96
3. Claims on Domestic Corporates	145,373,920.07
4. Claims on Regulatory Retail Portfolio & Other Retail Portfolio	26,629,002.46
5. Claims secured by Residential Properties	15,435,657.96
6. Claims secured by Commercial Real Estate	1,825,744.19
7. Past due claims	1,777,489.92
8. High Risk claims	8,600,987.62
9. Investment in equity of Institutions	1,101,305.93
10. Lending against Shares	5,088,770.50
11. Personal Hirepurchase/Personal Auto Loans	2,889,575.98
12. Real Estate loans for land acquisition and development	10,269,352.39
13. Trust Receipt Loans for Trading Firms	4,025,186.12
14. Staff Loan Secured by Residential Property	1,030,077.39
15. Other Assets	15,170,547.77
16. Off Balance Sheet Items	36,308,016.33
Total	282,049,553

• Total Risk Weight Exposures calculation table: **NPR in '000**

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	282,049,553
Risk Weighted Exposure for Operational Risk	13,788,260
Risk Weighted Exposure for Market Risk	306,818
Adjustments under Pillar II	
Adjustment as per SRP 6.4a (5)	
Is supervisor satisfied with ALM Policies and practices employed by the bank?	-
Adjustment as per SRP 6.4a (6)	-
Adjustment as per SRP 6.4a (7)	
Add RWE equivalent to reciprocal of capital charge of 3 % of Gross Income	3,140,939
Adjustment as per SRP 6.4a (9)	
Overall risk management policies and precedures are not satisfactory. Add 2% of RWE	5,922,893
Adjustment as per SRP 6.4a (10)	
Has the bank achieved desired level of disclosure requirement?	-
Total Risk Weighted Exposures	305,208,462
Total Core Capital to Total Risk Weighted Exposures	9.58%
Total Capital to Total Risk Weighted Exposures	12.18%

• Eligible Credit Risk Mitigants (CRM) **NPR in '000**

Particulars	Risk Weighted Exposure
Cash Deposit with the Bank	14,964,164
Gold	-
Fixed Deposit Receipts	-
Government & NRB Securities	-
Total Eligible Credit Risk Mitigants (CRM)	14,964,164

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• Amount of Non Performing Assets (both Gross and Net) NPR in '000

Particulars	Amount	Loan Loss Provision	Net NPL
Non Performing Loans (NPL)			
Restructure/Reschedule	-	-	-
Substandard	461,376	115,344	346,032
Doubtful	450,718	225,359	225,359
Loss	694,792	694,792	-
Total	1,606,886	1,035,495	571,391

NPA Ratios

NPA Ratios	(%)
Gross NPA to Gross Advances	0.61%
Net NPA to Net Advances	0.22%

• Movement in Non Performing Assets NPR in '000

Particulars	This Quarter	Previous Quarter	Changes(%)
Non Performing Assets (Volumes)	1,606,886	1,681,485	-4.44%
Non Performing Assets (%)	0.61%	0.68%	-10.01%

• Write off of Loans and Interest Suspense in the Quarter

	NPR in '000
Loan	-
Interest Suspense	1,622

• Movement in Loan Loss Provision and Interest Suspense: NPR in '000

Particulars	This Quarter	Previous Quarter	Changes(%)
Loan Loss Provision	4,073,673	3,859,029	5.56%
Interest Suspense	144,854	144,110	0.52%

• Details of Additional Loan Loss Provision: NPR in '000

Particulars	Amount
Loss	8,279
Doubtful	(13,028)
Substandard	(14,205)
Restructure/Reschedule	-
Watchlist	113,493
Pass Loan (other than Restructured/Rescheduled Covid/Others)	125,058
Pass Loan (Restructured/Rescheduled Covid/Others)	(4,953)
Extra Provision	-
Total	214,644

• Segregation of Investment Portfolio: NPR in '000

Particulars	Amount
Held for Trading	-
Held to Maturity	58,172,247
Available for sale	1,496,879
Total Investment	59,669,125

• Summary of the bank's internal approach to assess the adequacy of its capital to support current and future activities, if applicable

The Bank has implemented a robust Internal Capital Adequacy Assessment Process (ICAAP) in line with the guidelines issued by Nepal Rastra Bank (NRB), which forms an integral part of its overall risk management and governance framework. The ICAAP is designed to ensure that the Bank maintains adequate capital to support its current operations as well as future growth, commensurate with its risk profile, business strategy, and operating environment. The process is overseen by the Board of Directors, with senior management responsible for effective implementation, monitoring, and periodic review to ensure continued compliance with regulatory expectations.

Under the ICAAP framework, the Bank identifies, measures, monitors, and controls all material risks, including credit risk, market risk, operational risk, liquidity risk, interest rate risk in the banking book, concentration risk, and other residual risks. Capital adequacy is assessed through both regulatory capital calculations and internal assessments, incorporating stress testing and scenario analysis to evaluate the impact of adverse economic and financial conditions. These assessments enable the Bank to determine the adequacy of its capital buffers beyond the minimum regulatory requirements, ensuring resilience under normal and stressed conditions.

In addition to complying with the minimum Capital Adequacy Ratio (CAR) as prescribed under NRB's Unified Directives, the Bank maintains internal capital targets that reflect its risk appetite and strategic objectives. Capital planning is forward-looking and aligned with business expansion plans, projected asset growth, and changes in the risk environment. The ICAAP outcomes are regularly reviewed and reported to the Board and NRB as required, supporting prudent capital management and reinforcing the Bank's ability to sustain its activities while safeguarding the interests of depositors and other stakeholders.