

# Unaudited Financial Results (Quarterly)

## As on Quarter ended 30th Ashwin 2076 (17th October 2019)

### Condensed Consolidated Statement of Financial Position

As on Quarter ended 30th Ashwin 2076 (17th October 2019)

Assets	Figures in NPR '000	
	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	1,330,573	1,443,409
Due from Nepal Rastra Bank	294,487	256,238
Placement with Bank & Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	135,560	-
Loans and advance BFIs	1,103,850	146,450
Loans and advance to customers	5,440,188	5,163,161
Investment securities	1,005,507	135,215
Current tax assets	77,128	90,750
Investment in subsidiaries	-	-
Investment in associates	-	-
Investment Property	36,346	41,346
Property and equipment	54,815	42,610
Goodwill and Intangible assets	1,084	1,300
Deferred tax assets	91	460
Other Assets	308,870	199,657
<b>Total Assets</b>	<b>9,788,499</b>	<b>7,520,596</b>
<b>Liabilities</b>		
Due to Bank and Financial Institutions	3,186,107	1,360,940
Due to Nepal Rastra Bank	131,371	250,879
Derivative financial instruments	-	-
Deposit from customers	5,285,505	4,748,321
Borrowing	-	-
Current Tax Liabilities	-	-
Provisions	-	-
Deferred Tax Liabilities	-	-
Other Liabilities	69,313	73,828
Debt Securities issued	-	-
Subordinate Liabilities	-	-
<b>Total Liabilities</b>	<b>8,672,296</b>	<b>6,433,968</b>
<b>Equity</b>		
Share capital	804,060	804,060
Share Premium	661	661
Retained earnings	129,270	123,174
Reserves	182,211	158,733
<b>Total equity attributable to equity holders</b>	<b>1,116,202</b>	<b>1,086,628</b>
<b>Non-controlling interest</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>1,116,202</b>	<b>1,086,628</b>
<b>Total Liabilities and equity</b>	<b>9,788,499</b>	<b>7,520,596</b>

### Condensed Consolidated Statement of Profit or Loss

For the Quarter ended 30th Ashwin 2076

Particular	Figures in NPR '000			
	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Interest Income	319,818	319,818	238,475	238,475
Interest Expenses	189,984	189,984	169,300	169,300
<b>Net Interest Income</b>	<b>129,833</b>	<b>129,833</b>	<b>69,176</b>	<b>69,176</b>
Fees and Commission income	6,716	6,716	9,509	9,509
Fees and Commission expenses	-	-	-	-
<b>Net fee and commission income</b>	<b>6,716</b>	<b>6,716</b>	<b>9,509</b>	<b>9,509</b>
<b>Net interest, fee and commission income</b>	<b>136,550</b>	<b>136,550</b>	<b>78,685</b>	<b>78,685</b>
Net trading income	3,216	3,216	-	-
Other operating income	1,826	1,826	1,280	1,280
<b>Total operating income</b>	<b>141,592</b>	<b>141,592</b>	<b>79,965</b>	<b>79,965</b>
Impairment charge/(reversal) for loans and other losses	59,731	59,731	8,978	8,978
<b>Net operating income</b>	<b>81,860</b>	<b>81,860</b>	<b>70,987</b>	<b>70,987</b>
<b>Operating expenses</b>				
Personnel expenses	27,210	27,210	21,655	21,655
Other operating expenses	14,568	14,568	11,180	11,180
Depreciation & Amortization	2,154	2,154	2,203	2,203
<b>Operating Profit</b>	<b>37,928</b>	<b>37,928</b>	<b>35,948</b>	<b>35,948</b>
Non operating income	-	-	-	-
Non operating expenses	-	-	-	-
<b>Profit before income tax</b>	<b>37,928</b>	<b>37,928</b>	<b>35,948</b>	<b>35,948</b>
Income tax expenses	10,336	10,336	9,738	9,738
Current Tax	10,114	10,114	9,601	9,601
Deferred Tax	221	221	137	137
<b>Profit/(loss) for the period</b>	<b>27,593</b>	<b>27,593</b>	<b>26,211</b>	<b>26,211</b>

### Condensed Consolidated Statement of Comprehensive Income

Profit/(loss) for the period	27,593	27,593	26,211	26,211
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>27,593</b>	<b>27,593</b>	<b>26,211</b>	<b>26,211</b>
<b>Earning Per Share</b>				
Basic Earning per share		13.73		13.04
Diluted Earning per share		13.73		13.04
<b>Profit attributable to:</b>				
Equity holders of the bank	27,593	27,593	26,211	26,211
Non-controlling Interest	-	-	-	-
<b>Total</b>	<b>27,593</b>	<b>27,593</b>	<b>26,211</b>	<b>26,211</b>

### Ratios as per NRB Directives

Particular	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Capital fund to RWA		15.72%		14.68%
Non-performing loan (NPL) to total loan		3.96%		2.31%
Total loan loss provision to Total NPL		114.34%		122.69%
Cost of Funds		9.36%		10.42%
Credit to Deposit Ratio		75.80%		75.32%
Base Rate		11.49%		13.78%
Interest Rate Spread		4.71%		4.53%

#### Note

- Above financials have been prepared in accordance with NRB Directive No. 4 and applicable Nepal Financial Reporting Standards (NFRS) by applying certain Carve-outs in NFRS as issued by The Institute of Chartered Accountants of Nepal (ICAN).
- The above figures are subject to change if directed by the Regulators and/or External Auditor.
- Figures have been regrouped and rearranged wherever necessary.
- The detailed interim financial report has been published in the Finance's website : [www.manjushreefinance.com.np](http://www.manjushreefinance.com.np)

### Statement of Distributable Profit

Figures in NPR '000

Particulars	Upto This Quarter(YTD)
<b>Net profit for the period as on Ashwin quarter 2076/77</b>	<b>27,593</b>
<b>Appropriations:</b>	
<b>1.1 Profit required to be appropriated to:</b>	<b>(5,794)</b>
a. General reserve	(5,519)
b. Foreign exchange fluctuation fund	
c. Capital redemption reserve	
d. Corporate social responsibility fund	(276)
e. Employees training fund	
f. Other	
<b>1.2 Profit required to be transferred to Regulatory Reserve:</b>	<b>(15,978)</b>
a. Transferred to Regulatory Reserve	(15,978)
b. Transferred from Regulatory Reserve	
<b>Net Profit for the period ended Ashwin quarter 2076 available for distribution</b>	<b>5,820</b>

## Disclosure as prescribed by Securities Registration and Issue Regulation, 2073

(Related to Sub rule (1) of Rule 26, for the Fourth Quarter of F.Y. 2076/77)

- Financial Statements (as per un-audited figures of 2076.06.30)**
  - Financial detail as at the end of First Quarter (2076.06.30) of F.Y. 2076/77 has been published along with this disclosure.
  - Major Financial Indicators**

a) Earnings Per Share (Annualized)	NPR 13.73	b) Market Value Per Share	NPR 127
c) Price Earnings Ratio	9.25	d) Net Worth Per Share	NPR 128.00
e) Total Assets / No. of Share	1217.38	f) Liquidity Ratio	28.67%

#### 2. Management Analysis

- Details relating to the change in the FI's reserve, income and liquidity in the quarter (if any) and its main reason.**  
FI's reserve and liquidity position remained strong throughout the quarter.
- Management's analytical details regarding future business plan.**  
FI seeks to achieve sustainable growth in business and profitability as per its strategic management plan.
- Analytical details of the incidents that may have major impact on reserve, profit or cash flow (if any) based on previous experience.**  
No specific incident occurred during the period that could have impact on reserve, profit or cash flow.

#### 3. Legal Proceedings

- Case filed by or against the FI in this quarter.**  
Except in the regular course of business, there are no law suit filed against the FI in this quarter.
- Case relating to disobedience of prevailing law or commission of criminal offence filed by or against the promoter or Director of the FI.**  
No such information has been received.
- Case relating to commission of financial crime filed against any Promoter or Director of the FI.**  
No such information has been received.

#### 4. Analysis of Stock Performance of the FI

- Management view on the transaction of the shares of the FI in the Share Market.**  
Transaction of Shares and share price are determined by open market at Nepal Stock Exchange Ltd.
- Maximum, minimum and last share price, total transaction days and total transacted number of shares in the quarter (as per nepalstock.com)**

Maximum Share price	130	Minimum Share Price	120
Closing Share Price	127	Total No. of Transaction	316
No. of days of transaction	58	Total Traded no. of share	149,227

#### 5. Problems and Challenges

- Internal**
- To maintain the level of interest spread.
  - Managing overheads.
  - Recruitment, retention and development of quality manpower.
- External**
- Tough competition in banking industry.
  - Unstable socio-political situation of the country.

#### Strategy to overcome the problems and challenges

- Development and Introduction of customer-oriented products / services.
- Strict portfolio management with emphasis on quality rather than quantity.
- Identification of new business avenues.
- Focus on development of staffs by training, counseling and monitoring them.

#### 6. Corporate Governance

Clear separation of roles and responsibilities of Board of Directors and Management has ensured high standard of corporate Governance. Audit Committee has been functioning independently and actively.

Manjushree is committed for transparency, high standard of professionalism and data integrity.

#### 7. Declaration

I, CEO of the FI, am accountable individually on the factual accuracy of the information submitted as of the date in this report. I also declare that to the best of my knowledge, no material information for investors has been concealed.