

Unaudited Financial Results (Quarterly)

As on Quarter ended 29th Poush 2076 (14th January 2020)

Condensed Consolidated Statement of Financial Position

As on Quarter ended 29th Poush 2076 (14th January 2020)

Figures in NPR '000

Assets	This Quarter Ending		Immediate Previous Year Ending	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Cash and cash equivalent	1,301,092		2,191,640	
Due from Nepal Rastra Bank	449,087		281,807	
Placement with Bank & Financial Institutions	-		-	
Derivative financial instruments	-		-	
Other trading assets	-		-	
Loans and advance BFls	1,143,450		161,600	
Loans and advance to customers	5,506,271		5,322,986	
Investment securities	468,717		96,890	
Current tax assets	56,497		66,279	
Investment in subsidiaries	-		-	
Investment in associates	-		-	
Investment Property	36,346		41,346	
Property and equipment	46,699		42,856	
Goodwill and Intangible assets	987		720	
Deferred tax assets	2,906		848	
Other Assets	69,129		148,410	
Total Assets	9,081,181		8,355,383	
Liabilities				
Due to Bank and Financial Institutions	2,291,016		2,368,891	
Due to Nepal Rastra Bank	125,676		35,353	
Derivative financial instruments	-		-	
Deposit from customers	5,404,789		4,928,669	
Borrowing	-		-	
Current Tax Liabilities	-		-	
Provisions	-		-	
Deferred Tax Liabilities	-		-	
Other Liabilities	184,641		8,427	
Debt Securities issued	-		-	
Subordinate Liabilities	-		-	
Total Liabilities	8,006,123		7,341,341	
Equity				
Share capital	818,131		804,060	
Share Premium	-		661	
Retained earnings	93,370		92,438	
Reserves	163,556		116,883	
Total equity attributable to equity holders	1,075,057		1,014,042	
Non-controlling interest	-		-	
Total equity	1,075,057		1,014,042	
Total Liabilities and equity	9,081,181		8,355,383	

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		15.11%		13.45%
Non-performing loan (NPL) to total loan		3.43%		3.17%
Total loan loss provision to Total NPL		125.25%		116.80%
Cost of Funds		9.26%		10.38%
Credit to Deposit Ratio		77.60%		77.18%
Base Rate		11.64%		12.86%
Interest Rate Spread		4.26%		4.75%

Note

- Above figures 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

Statement of Distributable Profit

Figures in NPR '000

Particulars	Upto This Quarter (YTD)
Net profit for the period as on Poush quarter 2076/77	143,374
Appropriations:	
1.1 Profit required to be appropriated to:	(30,109)
a. General reserve	(28,675)
b. Foreign exchange fluctuation fund	
c. Capital redemption reserve	
d. Corporate social responsibility fund	(1,434)
e. Employees training fund	
f. Other	
1.2 Profit required to be transferred to Regulatory Reserve:	(20,126)
a. Transferred to Regulatory Reserve	(20,126)
b. Transferred from Regulatory Reserve	
Net Profit for the period ended Poush quarter 2076 available for distribution	93,140

Disclosure as prescribed by Securities Registration and Issue Regulation, 2073

(Related to Sub rule (1) of Rule 26, for the Second Quarter of FY. 2076/77)

- Financial Statements (as per un-audited figures of 2076.09.29)
 - Financial detail as at the end of Second Quarter (2076.09.29) of FY. 2076/77 has been published along with this disclosure.
 - Major Financial Indicators

a) Earnings Per Share (Annualized)	NPR 35.05	b) Market Value Per Share	NPR 169
c) Price Earnings Ratio	4.82	d) Net Worth Per Share	NPR 121.71
e) Total Assets / No. of Share	1109.99	f) Liquidity Ratio	23.54%

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	170	Minimum Share Price	124
Closing Share Price	169	Total No. of Transaction	771
No. of days of transaction	50	Total Traded no. of share	472,888

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.
 - Lack of favorable environment for the investment.

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.

Condensed Consolidated Statement of Profit or Loss

For the Quarter ended 29th Poush 2076

Figures in NPR '000

Particular	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Interest Income	253,473	573,291	218,815	457,290
Interest Expenses	186,339	376,324	163,714	333,013
Net Interest Income	67,134	196,967	55,101	124,277
Fees and Commission income	8,628	17,170	7,345	18,135
Fees and Commission expenses	-	-	-	-
Net fee and commission income	8,628	17,170	7,345	18,135
Net interest, fee and commission income	75,762	214,137	62,447	142,412
Net trading income	-	-	-	-
Other operating income	-	-	-	-
Total operating income	75,762	214,137	62,447	142,412
Impairment charge/(reversal) for loans and other losses	(49,842)	9,890	45,073	54,051
Net operating income	125,603	204,247	17,374	88,361
Operating expenses				
Personnel expenses	35,951	63,161	12,194	33,849
Other operating expenses	17,880	32,449	12,564	23,744
Depreciation & Amortization	6,353	8,507	2,068	4,271
Operating Profit	65,419	100,131	(9,452)	26,496
Non operating income	98,174	98,174	-	-
Non operating expenses	-	-	-	-
Profit before income tax	163,593	198,305	(9,452)	26,496
Income tax expenses	44,595	54,931	(2,923)	6,814
Current Tax	42,767	52,881	-	7,066
Deferred Tax	1,828	2,049	(251)	-
Profit/(loss) for the period	115,782	143,374	(6,529)	19,682

Condensed Consolidated Statement of Comprehensive Income

Profit/(loss) for the period	115,782	143,374	(6,529)	19,682
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	115,782	143,374	(6,529)	19,682
Earning Per Share				
Basic Earning per share		35.05		4.90
Diluted Earning per share		35.05		4.90
Profit attributable to:				
Equity holders of the bank	115,782	143,374	(6,529)	19,682
Non-controlling Interest	-	-	-	-
Total	115,782	143,374	(6,529)	19,682