

Unaudited Financial Results (Quarterly)

As on Quarter ended 29th Poush 2077 (13th January 2021)

Condensed Consolidated Statement of Financial Position

As on Quarter ended 29th Poush 2077 (13th January 2021)

Figures in NPR '000

Assets	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Cash and cash equivalent	1,220,391		1,044,531	
Due from Nepal Rastra Bank	529,629		421,525	
Placement with Bank & Financial Institutions	-		-	
Derivative financial instruments	-		-	
Other trading assets	-		-	
Loans and advance BFs	2,083,752		995,264	
Loans and advance to customers	5,834,082		5,882,919	
Investment securities	909,624		735,132	
Current tax assets	87,799		2,340	
Investment in subsidiaries	-		-	
Investment in associates	-		-	
Investment Property	36,346		36,346	
Property and equipment	46,543		44,550	
Goodwill and Intangible assets	1,740		1,175	
Deferred tax assets	-		-	
Other Assets	179,395		87,272	
Total Assets	10,929,299		9,251,053	
Liabilities				
Due to Bank and Financial Institutions	1,158,091		1,964,341	
Due to Nepal Rastra Bank	46,150		10,907	
Derivative financial instruments	-		-	
Deposit from customers	7,895,348		5,848,383	
Borrowing	105,972		-	
Current Tax Liabilities	-		-	
Provisions	-		-	
Deferred Tax Liabilities	34,144		33,837	
Other Liabilities	317,827		89,089	
Debt Securities issued	-		-	
Subordinate Liabilities	-		-	
Total Liabilities	9,557,532		7,946,557	
Equity				
Share capital	965,395		818,131	
Share Premium	-		-	
Retained earnings	28,939		193,242	
Reserves	377,433		293,123	
Total equity attributable to equity holders	1,371,767		1,304,496	
Non-controlling interest	-		-	
Total equity	1,371,767		1,304,496	
Total Liabilities and equity	10,929,299		9,251,053	

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		13.68%		15.11%
Non-performing loan (NPL) to total loan		3.01%		3.43%
Total loan loss provision to Total NPL		128.19%		125.25%
Cost of Funds		7.05%		9.26%
Credit to Deposit Ratio		78.56%		77.60%
Base Rate		8.32%		11.64%
Interest Rate Spread		4.07%		4.26%

Notes:

- 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.
- Loans and advance includes staff loan and net of impairment charges.
- Personnel expenses includes provision for staff bonus.
- 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 Ashwin quarter 2076/77	113,402
Appropriations:	
1.1 Profit required to be appropriated to:	(23,814)
a. General reserve	(22,680)
b. Foreign exchange fluctuation fund	
c. Capital redemption reserve	
d. Corporate social responsibility fund	(1,134)
e. Employees training fund	
f. Other	
1.2 Profit required to be transferred to Regulatory Reserve:	(61,630)
a. Transferred to Regulatory Reserve	(61,630)
b. Transferred from Regulatory Reserve	
Net Profit for the period ended Poush quarter 2077 available for distribution	27,957

Disclosure as prescribed by Securities Registration and Issue Regulation, 2073

(Related to Sub rule (1) of Rule 26, for the Quarter of F.Y. 2077/78)

1. Financial Statements (as per un-audited figures of 2077.09.29)

- Financial detail as at the end of Second Quarter (2077.09.29) of F.Y. 2077/78 has been published along with this disclosure.
- Major Financial Indicators

a) Earnings Per Share (Annualized)	NPR 23.49	b) Market Value Per Share	NPR 353
c) Price Earnings Ratio	15.03	d) Net Worth Per Share	142.10
e) Total Assets / No. of Share	1132.11	f) Liquidity Ratio	21.84%

2. Management Analysis

a) 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.

b) Management's analytical details regarding future business plan.

FI seeks to achieve sustainable growth in business and profitability as per its strategic management plan.

c) 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

a) Case filed by or against the FI in this quarter.

Except in the regular course of business, there is no law suits filed against the FI in this quarter.

b) 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.

c) 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

a) 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.

b) 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	435	Minimum Share Price	312
Closing Share Price	353	Total No. of Transaction	7,115
No. of days of transaction	58	Total Traded no. of share	2,675,374

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.
- COVID-19 Impact.

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 2077

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	251,632	502,875	253,473	573,291
Interest Expenses	152,186	309,488	186,339	376,324
Net Interest Income	99,446	193,387	67,134	196,967
Fees and Commission income	12,475	19,293	8,628	17,170
Fees and Commission expenses	-	-	-	-
Net fee and commission income	12,475	19,293	8,628	17,170
Net interest, fee and commission income	111,921	212,680	75,762	214,137
Net trading income				
Other operating income				
Total operating income	111,921	212,680	75,762	214,137
Impairment charge/(reversal) for loans and other losses	23,463	24,597	(49,842)	9,890
Net operating income	88,459	188,083	125,603	204,247
Operating expenses				
Personnel expenses	25,624	56,653	35,951	63,161
Other operating expenses	14,509	28,041	17,880	32,449
Depreciation & Amortization	3,018	5,849	6,353	8,507
Operating Profit	45,307	97,540	65,419	100,131
Non operating income	37,079	58,224	98,174	98,174
Non operating expenses				
Profit before income tax	82,386	155,765	163,593	198,305
Income tax expenses	20,636	42,363	44,595	54,931
Current Tax	20,241	42,056	42,767	52,881
Deferred Tax	395	307	1,828	2,049
Profit/(loss) for the period	61,750	113,402	115,782	143,374
Condensed Consolidated Statement of Comprehensive Income				
Profit/(loss) for the period	61,750	113,402	115,782	143,374
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	61,750	113,402	115,782	143,374
Earning Per Share				
Basic Earning per share		23.49		35.05
Diluted Earning per share		23.49		35.05
Profit attributable to:				
Equity holders of the bank	61,750	113,402	115,782	143,374
Non-controlling Interest				
Total	61,750	113,402	115,782	143,374