

# Unaudited Financial Results (Quarterly)

## As on Quarter ended 31st Ashad, 2078 (15th July, 2021)

### Condensed Consolidated Statement of Financial Position

As on Quarter ended 31st Ashad 2078

Assets	Figures in NPR '000	
	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	198,603	1,044,531
Due from Nepal Rastra Bank	327,399	421,525
Placement with Bank and Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	-	-
Loan and Advances to B/FIs	1,752,346	995,264
Loans and advances to customers	6,205,034	5,882,919
Investment in securities	4,702,367	735,132
Current Tax Assets	-	2,340
Investment in subsidiaries	-	-
Investment in Associates	-	-
Investment property	24,946	36,346
Property and equipment	40,865	44,550
Goodwill and Intangible Assets	1,235	1,175
Deferred tax assets	9,541	-
Other assets	362,914	87,272
<b>Total Assets</b>	<b>13,625,250</b>	<b>9,251,053</b>
<b>Liabilities</b>		
Due to Bank and Financial Institutions	2,145,426	1,964,341
Due to Nepal Rastra Bank	239,959	10,907
Derivative Financial Instruments	-	-
Deposit from customers	8,911,770	5,848,383
Borrowings	-	-
Current Tax Liabilities	1,220	-
Provisions	-	-
Deferred tax liabilities	6,621	33,837
Other liabilities	87,041	89,089
Debt securities issued	500,000	-
Subordinated Liabilities	-	-
<b>Total liabilities</b>	<b>11,892,036</b>	<b>7,946,557</b>
<b>Equity</b>		
Share Capital	965,395	818,131
Share Premium	-	-
Retained Earning	485,627	193,242
Reserves	282,193	293,123
<b>Total equity attributable to equity holders</b>	<b>1,733,215</b>	<b>1,304,496</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>1,733,215</b>	<b>1,304,496</b>
<b>Total liabilities and equity</b>	<b>13,625,250</b>	<b>9,251,053</b>

### Condensed Consolidated Statement of Profit or Loss

For the year Period Ended from 1st Shrawan 2077 to Ashad End 2078

Particular	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Interest Income	236,207	949,567	271,940	1,113,504
Interest Expense	(188,891)	(668,460)	(169,352)	(719,761)
<b>Net interest income</b>	<b>47,316</b>	<b>281,107</b>	<b>102,587</b>	<b>393,743</b>
Fees and Commission Income	8,624	45,587	7,009	33,257
Fees and Commission Expense	-	-	-	-
<b>Net fee and Commission income</b>	<b>8,624</b>	<b>45,587</b>	<b>7,009</b>	<b>33,257</b>
<b>Net interest fee and commission income</b>	<b>55,940</b>	<b>326,694</b>	<b>109,596</b>	<b>427,000</b>
Net Trading Income	-	-	-	-
Other Operating Income	331,356	762,688	103,387	204,275
<b>Total operating income</b>	<b>387,296</b>	<b>1,089,382</b>	<b>212,983</b>	<b>631,275</b>
Impairment charge/(reversal) for loans and other losses	14,137	18,396	193	10,258
<b>Net Operating income</b>	<b>373,159</b>	<b>1,070,986</b>	<b>212,790</b>	<b>621,016</b>
<b>Operating expenses</b>				
Personal Expense	61,970	182,978	72,483	160,954
Other Operating Expenses	13,252	66,222	19,292	62,900
Depreciation and amortisation	3,146	12,393	5,888	18,386
<b>Operating Profit</b>	<b>294,791</b>	<b>809,393</b>	<b>115,127</b>	<b>378,776</b>
Non operating income	-	-	-	-
Non operating expense	-	-	-	-
<b>Profit before income tax</b>	<b>294,791</b>	<b>809,393</b>	<b>115,127</b>	<b>378,776</b>
Income tax expense	77,342	241,274	45,110	115,533
Current tax	82,105	244,194	46,237	116,858
Deferred tax expenses/ (income)	(4,762)	(2,920)	(1,127)	(1,325)
<b>Profit/(loss) for the period</b>	<b>217,449</b>	<b>568,118</b>	<b>70,017</b>	<b>263,244</b>
<b>Condensed Consolidated Statement of Other Comprehensive Income</b>				
Profit/(loss) for the period	217,449	568,118	70,017	263,244
Other comprehensive income	-	-	-	-
<b>Total Comprehensive income for the period</b>	<b>217,449</b>	<b>568,118</b>	<b>70,017</b>	<b>263,244</b>
<b>Profit attributable to:</b>				
Equity holders of the bank	217,449	568,118	70,017	263,244
Non-controlling interest	-	-	-	-
<b>Profit for the period</b>	<b>217,449</b>	<b>568,118</b>	<b>70,017</b>	<b>263,244</b>
<b>Earnings per share:</b>				
Basic earnings per share		58.85		34.34
Diluted earnings per Share		58.85		34.34

### 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		28.94%		16.83%
Non-performing loan (NPL) to total loan		2.34%		3.36%
Total loan loss provision to Total NPL		164.36%		125.52%
Cost of Funds		7.32%		8.09%
Credit to Deposit Ratio		68.95%		77.60%
Base Rate		8.98%		10.67%
Interest Rate Spread		4.18%		4.51%

#### Notes:

- Above financials have been prepared in accordance with NRB Directive No. 4 and applicable Nepal Financial Reporting Standards (NFRS) issued by The Institute of Chartered Accountants of Nepal (ICAN).
- Loans and advances are presented net of loan impairments. Loans and advance include interest receivable on loan.
- 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

Particulars	Ashad 2078
Opening Retained Earning	193,242
Net profit or (loss) for the quarter	568,118
<b>Appropriations:</b>	
a. General reserve	(113,624)
c. Capital redemption reserve	-
b. Foreign exchange fluctuation fund	-
d. Corporate social responsibility fund	(5,681)
e. Employees' training fund	-
f. Dividend Distribution of Previous Year	(192,261)
g. Other	-
<b>Profit or (loss) before regulatory adjustment</b>	<b>449,795</b>
<b>Regulatory adjustment :</b>	
a. Transferred to Regulatory Reserve	-
b. Transferred From Regulatory Reserve	35,832
<b>Net Profit for the period ended Ashad Quarter 2078 available for distribution</b>	<b>485,627</b>

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

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

- Financial Statements (as per un-audited figures of 2078.3.31)
  - Financial detail as at the end of Fourth Quarter (2078.3.31) of FY. 2077/78 has been published along with this disclosure.
  - Major Financial Indicators

a) Earnings Per Share	NPR 58.85	b) Market Value Per Share	NPR 1280
c) Price Earnings Ratio	21.75	d) Net Worth Per Share	NPR 180
e) Total Assets / No. of Share	1411.37	f) Liquidity Ratio	39.10%

#### 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	1290	Minimum Share Price	477
Closing Share Price	1280	Total No. of Transaction	47068
No. of days of transaction	65	Total Traded no. of share	8,240,611

#### 5. Problems and Challenges

##### Internal

1) To maintain the level of interest spread.

2) Managing overheads.

3) Recruitment, retention, and development of quality manpower.

##### External

1) COVID-19 Novel Coronavirus Pandemic is expected to have severe negative impacts on the global economy along with national economy.

2) Tough competition in banking industry.

3) Unstable socio-political situation of the country.

4) Lack of favorable environment for the investment.

#### Strategy to overcome the problems and challenges

1) Development and Introduction of customer-oriented products / services.

2) Strict portfolio management with emphasis on quality rather than quantity.

3) Identification of new business avenues.

4) 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.