



MANJUSHREE FINANCE LIMITED

मञ्जुश्री फाइनेन्स लिमिटेड

(नेपाल राष्ट्र बैकबाट "ग" वर्गको इजाजतपत्रप्राप्त संस्था)

प्रधान कार्यालय ओमकार भवन, नयाँ बानेश्वर-१०, काठमाण्डौं

फोन नं. ०१-४७९६७८० ४७९३१८५, ४७९२५१७, ४७९१३५६ ४७९१३५७

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# Unaudited Financial Results (Quarterly)

## As on Quarter ended 31st Ashoj 2078

### Condensed Consolidated Statement of Financial Position

As on Quarter ended 31st Ashoj 2078

Assets	Figures in NPR '000	
	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	2,433,786	198,603
Due from Nepal Rastra Bank	295,490	327,399
Placement with Bank and Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	-	-
Loan and Advances to B/FIs	1,469,879	1,752,346
Loans and advances to customers	6,974,869	6,205,034
Investment in securities	4,208,586	4,702,367
Current Tax Assets	-	-
Investment in subsidiaries	-	-
Investment in Associates	-	-
Investment property	28,173	24,946
Property and equipment	55,043	40,865
Goodwill and Intangible Assets	1,235	1,235
Deferred tax assets	9,326	9,541
Other assets	289,285	362,914
<b>Total Assets</b>	<b>15,765,672</b>	<b>13,625,250</b>
<b>Liabilities</b>		
Due to Bank and Financial Institutions	343,645	2,145,426
Due to Nepal Rastra Bank	2,675,545	239,959
Derivative Financial Instruments	-	-
Deposit from customers	10,284,868	8,911,770
Borrowings	-	-
Current Tax Liabilities	13,335	1,220
Provisions	-	-
Deferred tax liabilities	-	6,621
Other liabilities	124,280	87,041
Debt securities issued	500,000	500,000
Subordinated Liabilities	-	-
<b>Total Liabilities</b>	<b>13,941,673</b>	<b>11,892,036</b>
<b>Equity</b>		
Share Capital	965,395	965,395
Share Premium	-	-
Retained Earning	503,296	485,627
Reserves	355,307	282,193
<b>Total equity attributable to equity holders</b>	<b>1,823,999</b>	<b>1,733,215</b>
<b>Non-controlling interests</b>		
<b>Total equity</b>	<b>1,823,999</b>	<b>1,733,215</b>
<b>Total liabilities and equity</b>	<b>15,765,672</b>	<b>13,625,250</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		26.50%		13.43%
Non-performing loan (NPL) to total loan		1.91%		3.16%
Total loan loss provision to Total NPL		177.14%		131.97%
Cost of Funds		7.54%		7.52%
Credit to Deposit Ratio		74.02%		70.77%
Base Rate		9.28%		9.55%
Interest Rate Spread		3.78%		4.60%

#### 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
- Dividend for Fiscal Year 2077/78 is yet to be declared.
- 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	Figures in NPR '000	
	Ashadh 2078	
Opening Retained Earning		485,627
Net profit or (loss) for the quarter		28,693
Appropriations:		
a. General reserve		(5,739)
b. Capital redemption reserve		-
c. Foreign exchange fluctuation fund		-
d. Corporate social responsibility fund		(287)
e. Employees' training fund		-
f. Dividend Distribution of Previous Year		-
g. Other		-
<b>Profit or (loss) before regulatory adjustment</b>		<b>508,295</b>
<b>Regulatory adjustment:</b>		
a. Transferred to Regulatory Reserve		(4,998)
b. Transferred From Regulatory Reserve		-
<b>Net Profit for the period ended Ashoj Quarter 2078 available for distribution</b>		<b>503,296</b>

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

(Related to Sub rule (1) of Rule 26, for the First Quarter of FY. 2078/79)

- Financial Statements (as per un-audited figures of 2078.06.31)
  - Financial detail as at the end of First Quarter (2078.06.31) of FY. 2078/79 has been published along with this disclosure.
  - Major Financial Indicators

a) Earnings Per Share (Annualised)	NPR 11.89	b) Market Value Per Share	NPR 1050
c) Price Earnings Ratio	88.30	d) Net Worth Per Share	NPR 189
e) Total Assets / No. of Share	1633.08	f) Liquidity Ratio	64.40

- 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.

- 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.

- 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	1456	Minimum Share Price	970
Closing Share Price	1050	Total No. of Transaction	44032
No. of days of transaction	57	Total Traded no. of share	5,730,046

- Problems and Challenges

Internal  
1) To maintain the level of interest spread. 2) Managing overheads.

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.

### Condensed Consolidated Statement of Profit or Loss

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

Particular	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Interest Income	301,183	301,183	251,243	251,243
Interest Expense	(219,090)	(219,090)	(157,302)	(157,302)
<b>Net interest income</b>	<b>82,092</b>	<b>82,092</b>	<b>93,941</b>	<b>93,941</b>
Fees and Commission Income	21,948	21,948	6,818	6,818
Fees and Commission Expense	-	-	-	-
<b>Net fee and Commission income</b>	<b>21,948</b>	<b>21,948</b>	<b>6,818</b>	<b>6,818</b>
<b>Net interest fee and commission income</b>	<b>104,040</b>	<b>104,040</b>	<b>100,759</b>	<b>100,759</b>
Net Trading Income	-	-	-	-
Other Operating Income	-	-	20,161	20,161
<b>Total operating income</b>	<b>104,040</b>	<b>104,040</b>	<b>120,920</b>	<b>120,920</b>
Impairment charge/(reversal) for loans and other losses	5,841	5,841	1,135	1,135
<b>Net Operating income</b>	<b>98,199</b>	<b>98,199</b>	<b>119,785</b>	<b>119,785</b>
<b>Operating expenses</b>				
Personal Expense	34,700	34,700	31,029	31,029
Other Operating Expenses	20,232	20,232	13,531	13,531
Depreciation and amortisation	2,514	2,514	2,831	2,831
<b>Operating Profit</b>	<b>40,754</b>	<b>40,754</b>	<b>72,394</b>	<b>72,394</b>
Non operating income	-	-	-	-
Non operating expense	-	-	-	-
<b>Profit before income tax</b>	<b>40,754</b>	<b>40,754</b>	<b>72,394</b>	<b>72,394</b>
Income tax expense	12,061	12,061	21,718	21,718
Current tax	12,061	12,061	21,718	21,718
Deferred tax expenses/ (income)	-	-	-	-
<b>Profit/(loss) for the period</b>	<b>28,693</b>	<b>28,693</b>	<b>50,676</b>	<b>50,676</b>
<b>Condensed Consolidated Statement of Other Comprehensive Income</b>				
Profit/(loss) for the period	28,693	28,693	50,676	50,676
Other comprehensive income	-	-	-	-
<b>Total Comprehensive income for the period</b>	<b>28,693</b>	<b>28,693</b>	<b>50,676</b>	<b>50,676</b>
Basic earnings per share			11.89	24.78
Diluted earnings per Share			11.89	24.78
<b>Profit attributable to:</b>				
Equity holders of the bank	28,693	28,693	50,676	50,676
Non-controlling interest	-	-	-	-
<b>Profit for the period</b>	<b>28,693</b>	<b>28,693</b>	<b>50,676</b>	<b>50,676</b>