



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 30th Poush 2078

Condensed Consolidated Statement of Financial Position

As on Quarter ended 30th Poush 2078

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	2,866,075	-	198,603	-
Due from Nepal Rastra Bank	346,619	-	327,399	-
Placement with Bank and Financial Institutions	-	-	-	-
Derivative financial instruments	-	-	-	-
Other trading assets	-	-	-	-
Loan and Advances to B/FIs	2,035,876	-	1,752,346	-
Loans and advances to customers	8,828,659	-	6,229,419	-
Investment in securities	-	-	4,716,338	-
Current Tax Assets	-	-	-	-
Investment in subsidiaries	-	-	-	-
Investment in Associates	-	-	-	-
Investment property	28,173	-	28,173	-
Property and equipment	53,435	-	34,682	-
Goodwill and Intangible Assets	1,235	-	1,331	-
Deferred tax assets	11,367	-	11,367	-
Other assets	212,213	-	411,774	-
Total Assets	14,383,653	-	13,711,433	-
Liabilities				
Due to Bank and Financial Institutions	1,138,093	-	2,145,426	-
Due to Nepal Rastra Bank	460,082	-	239,959	-
Derivative Financial Instruments	-	-	-	-
Deposit from customers	10,354,405	-	8,911,770	-
Borrowings	-	-	-	-
Current Tax Liabilities	7,309	-	11,989	-
Provisions	-	-	-	-
Deferred tax liabilities	-	-	-	-
Other liabilities	149,567	-	145,559	-
Debt securities issued	500,000	-	500,000	-
Subordinated Liabilities	-	-	-	-
Total liabilities	12,609,457	-	11,954,702	-
Equity				
Share Capital	1,351,553	-	965,395	-
Share Premium	-	-	-	-
Retained Earning	58,545	-	451,749	-
Reserves	364,098	-	339,587	-
Total equity attributable to equity holders	1,774,196	-	1,756,731	-
Non-controlling interests				
Total equity	1,774,196	-	1,756,731	-
Total liabilities and equity	14,383,653	-	13,711,433	-

Condensed Consolidated Statement of Profit or Loss

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

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	360,452	661,635	251,632	502,875
Interest Expense	(244,818)	(463,909)	(152,186)	(309,488)
Net interest income	115,633	197,726	99,446	193,387
Fees and Commission Income	28,364	50,311	12,475	19,293
Fees and Commission Expense	-	-	-	-
Net fee and Commission income	28,364	50,311	12,475	19,293
Net interest fee and commission income	143,997	248,037	111,921	212,680
Net Trading Income	-	-	-	-
Other Operating Income	8,207	8,207	37,079	58,224
Total operating income	152,204	256,244	149,000	270,904
Impairment charge/(reversal) for loans and other losses	22,881	28,722	23,463	24,597
Net Operating income	129,323	227,522	125,538	246,307
Operating expenses				
Personal Expense	34,666	69,366	25,624	56,653
Other Operating Expenses	21,142	41,374	14,509	28,041
Depreciation and amortisation	6,570	9,084	3,018	5,849
Operating Profit	66,945	107,698	82,386	155,765
Non operating income	-	-	-	-
Non operating expense	-	-	-	-
Profit before income tax	66,945	107,698	82,386	155,765
Income tax expense	20,249	32,309	20,636	42,363
Current tax	20,249	32,309	20,241	42,056
Deferred tax expenses/ (income)	-	-	395	307
Profit/(loss) for the period	46,696	75,389	61,750	113,402
Condensed Consolidated Statement of Other Comprehensive Income				
Profit/(loss) for the period	46,696	75,389	61,750	113,402
Other comprehensive income	-	-	-	-
Total Comprehensive Income for the period	46,696	75,389	61,750	113,402
Basic earnings per share (Annualized)	-	11.16	-	23.49
Diluted earnings per Share	-	11.16	-	23.49
Profit attributable to:				
Equity holders of the bank	46,696	75,389	61,750	113,402
Non-controlling interest	-	-	-	-
Total	46,696	75,389	61,750	113,402

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	21.14%	-	13.68%	-
Non-performing loan (NPL) to total loan	1.30%	-	3.01%	-
Total loan loss provision to Total NPL	219.68%	-	128.19%	-
Cost of Funds	8.10%	-	7.05%	-
Credit to Deposit Ratio	88.53%	-	78.56%	-
Base Rate	9.80%	-	8.32%	-
Interest Rate Spread	3.95%	-	4.07%	-

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

Statement of Distributable Profit

Figures in NPR '000

Particulars	Current Year
Opening Retained Earning	451,749
Net profit or (loss) for the quarter	75,389
Appropriations:	
a. General reserve	(15,078)
c. Capital redemption reserve	-
b. Foreign exchange fluctuation fund	-
d. Corporate social responsibility fund	(754)
e. Employees' training fund	-
f. Dividend Distribution of Previous Year	(444,082)
g. Other	-
Profit or (loss) before regulatory adjustment	67,224
Regulatory adjustment :	
a. Transferred to Regulatory Reserve	(8,679)
b. Transferred From Regulatory Reserve	-
Net Profit for the period ended Poush Quarter 2078 available for distribution	58,545

Disclosure as prescribed by Securities Registration and Issue Regulation, 2073

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

1. Financial Statements (as per un-audited figures of 2078.09.30)

- Financial detail as at the end of Second Quarter (2078.09.30) of FY. 2078/79 has been published along with this disclosure.
- Major Financial Indicators

a) Earnings Per Share (Annualized)	NPR 11.16	b) Market Value Per Share	NPR 758
c) Price Earnings Ratio	67.92	d) Net Worth Per Share	NPR 131
e) Total Assets / No. of Share	1064.23	f) Liquidity Ratio	27.61

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.
 - 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 | 1225 | Minimum Share Price | 650 |
| Closing Share Price | 758 | Total No. of Transaction | 36853 |
| No. of days of transaction | 59 | Total Traded no. of share | 3,520,324 |

5. Problems and Challenges

- Internal**
- To maintain the level of interest spread.
 - Managing overheads.
- External**
- COVID-19 Novel Coronavirus Pandemic is expected to have severe negative impacts on the global economy along with national economy.
 - 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