



MANJUSHREE FINANCE LIMITED

मञ्जुश्री फाइनेन्स लिमिटेड

(नेपाल राष्ट्र बैंकबाट "ग" वर्गको इजाजतपत्रप्राप्त संस्था)

प्रधान कार्यालय ओमकार भवन, नयाँ बानेश्वर-१०, काठमाण्डौ

फोन नं. ०१-४७९६७८० ४७९३९८५, ४७९२५१७, ४७९१३५६ ४७९१३५७

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Unaudited Financial Results (Quarterly)

As on Quarter ended 30th Poush 2079

Condensed Statement of Financial Position

As on Quarter ended 30th Poush 2079

Figures in NPR '000

Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	1,153,440	2,866,075
Due from Nepal Rastra Bank	510,360	346,619
Placement with Bank and Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	-	-
Loan and Advances to B/FIs	946,333	2,035,876
Loans and advances to customers	11,157,747	8,828,659
Investment in securities	2,302,372	-
Current Tax Assets	-	-
Investment in subsidiaries	-	-
Investment in Associates	-	-
Investment property	25,906	28,173
Property and equipment	190,649	53,435
Goodwill and Intangible Assets	1,927	1,235
Deferred tax assets	16,771	11,367
Other assets	45,669	212,213
Total Assets	16,351,173	14,383,653
Liabilities		
Due to Bank and Financial Institutions	1,120,276	1,138,093
Due to Nepal Rastra Bank	499,851	460,082
Derivative Financial Instruments	-	-
Deposit from customers	12,044,634	10,354,405
Borrowings	-	-
Current Tax Liabilities	10,113	7,309
Provisions	-	-
Deferred tax liabilities	-	-
Other liabilities	231,617	149,567
Debt securities issued	500,000	500,000
Subordinated Liabilities	-	-
Total liabilities	14,406,492	12,609,457
Equity		
Share Capital	1,351,553	1,351,553
Share Premium	-	-
Retained Earning	12,035	58,545
Reserves	581,094	364,098
Total equity attributable to equity holders	1,944,681	1,774,196
Non-controlling interests		
Total equity	1,944,681	1,774,196
Total liabilities and equity	16,351,173	14,383,653

Condensed Statement of Profit or Loss

For the Quarter ended on 30th Poush 2079

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	499,843	988,722	360,452	661,635
Interest Expense	(346,195)	(664,015)	(244,818)	(463,909)
Net interest income	153,648	324,707	115,633	197,726
Fees and Commission Income	17,908	29,766	28,364	50,311
Fees and Commission Expense	-	-	-	-
Net fee and Commission income	17,908	29,766	28,364	50,311
Net interest fee and commission income	171,556	354,473	143,997	248,037
Net Trading Income	-	-	-	-
Other Operating Income	53	44	8,207	8,207
Total operating income	171,609	354,517	152,204	256,244
Impairment charge/(reversal) for loans and other losses	(1,139)	2,393	22,881	28,722
Net Operating income	172,749	352,124	129,323	227,522
Operating expenses				
Personal Expense	55,905	105,055	34,666	69,366
Other Operating Expenses	22,384	44,926	21,142	41,374
Depreciation and amortisation	6,127	12,186	6,570	9,084
Operating Profit	88,333	189,957	66,945	107,698
Non operating income	-	-	-	-
Non operating expense	-	-	-	-
Profit before income tax	88,333	189,957	66,945	107,698
Income tax expense	22,942	53,429	20,249	32,309
Current tax	22,942	53,429	20,249	32,309
Deferred tax income	-	-	-	-
Profit for the period	65,392	136,529	46,696	75,389
Condensed Consolidated Statement of Other Comprehensive Income				
Profit/(loss) for the period	65,392	136,529	46,696	75,389
Other comprehensive income	-	-	-	-
Total Comprehensive income for the period	65,392	136,529	46,696	75,389
Basic earnings per share (Annualised)		20.20		11.16
Diluted earnings per Share		20.20		11.16
Profit attributable to:				
Equity holders of the bank	65,392	136,529	46,696	75,389
Non-controlling interest	-	-	-	-
Profit for the period	65,392	136,529	46,696	75,389

Ratios as per NRB Directives

Particular	Current Year		Previous Year Corresponding
	Up to This Quarter (YTD)	Up to This Quarter (YTD)	Up to This Quarter (YTD)
Capital fund to RWA	18.00%		21.14%
Non-performing loan (NPL) to total loan	2.02%		1.30%
Total loan loss provision to Total NPL	149.91%		219.68%
Cost of Funds	11.10%		8.10%
Credit to Deposit Ratio	87.90%		88.53%
Base Rate	13.24%		9.80%
Interest Rate Spread	4.72%		3.95%

Note

- 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 2079/80 is yet to be declared .
- 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	1,519
Net profit or (loss) for the quarter	136,529
Appropriations:	
a. General reserve	(27,306)
b. Foreign exchange fluctuation fund	-
c. Debenture Redemption Reserve	(41,667)
d. Corporate social responsibility fund	(1,365)
e. Employees' training fund	-
f. Other	-
Profit or (loss) before regulatory adjustment	67,710
Regulatory adjustment :	
a. Transferred to Regulatory Reserve	(55,675)
b. Transferred From Regulatory Reserve	-
Net Profit for the period ended Poush Quarter 2079 available for distribution	12,035

Disclosure as prescribed by Securities Registration and Issue Regulation, 2073

(Related to Sub rule (1) of Rule 26, for the Second Quarter of F.Y. 2079/80)

- Financial Statements (as per un-audited figures of 2079.09.30)
 - Financial detail as at the end of Second Quarter (2079.09.30) of F.Y. 2079/80 has been published along with this disclosure.
 - Major Financial Indicators

a) Earnings Per Share (Annualized)	NPR 20.20	b) Market Value Per Share	NPR 453
c) Price Earnings Ratio	22.43	d) Net Worth Per Share	NPR 131.62
e) Total Assets / No. of Share	1210	f) Liquidity Ratio	26.32

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 is no lawsuits 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	489	Minimum Share Price	370
Closing Share Price	453	Total No. of Transaction	9,731
No. of days of transaction	52	Total Traded no. of share	1,155,901

5. Problems and Challenges

- Internal**
- To maintain the level of interest spread.
 - Managing overheads.
 - Recruitment, retention, and development of quality manpower.
- 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.