



MANJUSHREE FINANCE LIMITED

मञ्जुश्री फाइनेन्स लिमिटेड

(नेपाल राष्ट्र बैंकबाट "ग" वर्गको इजाजतपत्रप्राप्त संस्था)

प्रधान कार्यालय ओमकार भवन, नयाँ बानेश्वर-१०, काठमाण्डौं

फोन नं. ०१-४७८२५१७, फ्याक्स: ०१-४७८२५३४

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# Unaudited Financial Results (Quarterly)

As on Quarter ended 31st Ashad 2077 (15th July 2020)

## Condensed Consolidated Statement of Financial Position

As on Quarter ended 31st Ashad 2077 (15th July 2020)

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	1,044,531		1,768,360	
Due from Nepal Rastra Bank	421,525		352,574	
Placement with Bank & Financial Institutions	-		-	
Derivative financial instruments	-		-	
Other trading assets	-		-	
Loans and advance BFls	995,264		777,430	
Loans and advance to customers	5,818,222		5,644,444	
Investment securities	717,851		1,103,625	
Current tax assets	-		41,651	
Investment in subsidiaries	-		-	
Investment in associates	-		-	
Investment Property	36,346		36,346	
Property and equipment	52,166		44,983	
Goodwill and Intangible assets	999		1,195	
Deferred tax assets	5,990		4,955	
Other Assets	88,325		72,946	
<b>Total Assets</b>	<b>9,181,219</b>		<b>9,848,508</b>	
<b>Liabilities</b>				
Due to Bank and Financial Institutions	1,964,341		3,976,625	
Due to Nepal Rastra Bank	10,907		11,100	
Derivative financial instruments	-		-	
Deposit from customers	5,848,383		4,789,346	
Borrowing	-		-	
Current Tax Liabilities	2,375		-	
Provisions	-		-	
Deferred Tax Liabilities	-		-	
Other Liabilities	141,191		44,901	
Debt Securities issued	-		-	
Subordinate Liabilities	-		-	
<b>Total Liabilities</b>	<b>7,967,196</b>		<b>8,821,971</b>	
<b>Equity</b>				
Share capital	818,131		804,060	
Share Premium	-		661	
Retained earnings	119,800		92,438	
Reserves	276,092		129,378	
<b>Total equity attributable to equity holders</b>	<b>1,214,023</b>		<b>1,026,537</b>	
Non-controlling interest	-		-	
<b>Total equity</b>	<b>1,214,023</b>		<b>1,026,537</b>	
<b>Total Liabilities and equity</b>	<b>9,181,219</b>		<b>9,848,508</b>	

## Condensed Consolidated Statement of Profit or Loss

For the Quarter ended 31st Ashad 2077 (15th July 2020)

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	258,729	1,100,294	349,535	1,031,250
Interest Expenses	169,353	719,762	179,940	672,485
<b>Net Interest Income</b>	<b>89,377</b>	<b>380,532</b>	<b>169,595</b>	<b>358,766</b>
Fees and Commission income	7,009	33,257	13,098	41,095
Fees and Commission expenses	-	-	-	-
<b>Net fee and commission income</b>	<b>7,009</b>	<b>33,257</b>	<b>13,098</b>	<b>41,095</b>
<b>Net interest, fee and commission income</b>	<b>96,386</b>	<b>413,789</b>	<b>182,693</b>	<b>399,861</b>
Net trading income	-	-	-	-
Other operating income	-	-	-	-
<b>Total operating income</b>	<b>96,386</b>	<b>413,789</b>	<b>182,693</b>	<b>399,861</b>
Impairment charge/(reversal) for loans and other losses	193	10,258	70,438	135,074
<b>Net operating income</b>	<b>96,192</b>	<b>403,531</b>	<b>112,256</b>	<b>264,787</b>
<b>Operating expenses</b>				
Personnel expenses	42,611	133,134	30,113	82,193
Other operating expenses	16,374	62,034	19,983	57,156
Depreciation & Amortization	2,799	11,194	14,741	21,474
<b>Operating Profit</b>	<b>34,408</b>	<b>197,169</b>	<b>47,419</b>	<b>103,964</b>
Non operating income	103,387	204,275	-	-
Non operating expenses	-	-	-	-
<b>Profit before income tax</b>	<b>137,795</b>	<b>401,444</b>	<b>47,419</b>	<b>103,964</b>
Income tax expenses	50,116	120,538	20,024	30,832
Current Tax	50,952	121,573	20,852	35,531
Deferred Tax	(836)	(1,035)	(828)	(4,699)
<b>Profit/(loss) for the period</b>	<b>87,679</b>	<b>280,906</b>	<b>27,395</b>	<b>73,132</b>
<b>Condensed Consolidated Statement of Comprehensive Income</b>				
Profit/(loss) for the period	87,679	280,906	27,395	73,132
Other Comprehensive Income	-	-	795	-
<b>Total Comprehensive Income</b>	<b>87,679</b>	<b>280,906</b>	<b>28,189</b>	<b>73,132</b>
<b>Earning Per Share</b>				
Basic Earning per share		34.34		9.52
Diluted Earning per share		34.34		9.52
<b>Profit attributable to:</b>				
Equity holders of the bank	87,679	280,906	28,189	73,132
Non-controlling Interest	-	-	-	-
<b>Total</b>	<b>87,679</b>	<b>280,906</b>	<b>28,189</b>	<b>73,132</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		14.89%		15.44%
Non-performing loan (NPL) to total loan		3.36%		3.49%
Total loan loss provision to Total NPL		125.52%		122.88%
Cost of Funds		8.09%		9.30%
Credit to Deposit Ratio		77.76%		75.63%
Base Rate		10.67%		11.34%
Interest Rate Spread		4.51%		4.41%

### Notes:

- Distributable profit has been calculated based on interest recovered till Ashad End 2077.
- 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 consists of accrued interest receivable net of interest suspense and have been presented in net of impairment charges.
- Loans and advance to customer include staff loan as well which have been measured at amortised cost.
- Personnel expenses include provision for staff bonus.
- 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

Figures in NPR '000

Particulars	Upto This Quarter (YTD)
<b>Net profit for the period as on Ashad quarter 2076/77</b>	<b>280,906</b>
<b>Appropriations:</b>	
<b>1.1 Profit required to be appropriated to:</b>	
a. General reserve	(58,990)
b. Foreign exchange fluctuation fund	(56,181)
c. Capital redemption reserve	
d. Corporate social responsibility fund	(2,809)
e. Employees training fund	
f. Other	
<b>1.2 Profit required to be transferred to Regulatory Reserve:</b>	<b>(102,441)</b>
a. Transferred to Regulatory Reserve	(102,441)
b. Transferred from Regulatory Reserve	
<b>Net Profit for the period ended Ashad quarter 2077 available for distribution</b>	<b>119,475</b>

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

(Related to Sub rule (1) of Rule 26, for the Fourth Quarter of F.Y. 2076/77)

### 1. Financial Statements (as per un-audited figures of 2073.3.31)

- Financial detail as at the end of Fourth Quarter (2073.3.31) of F.Y. 2076/77 has been published along with this disclosure.
- Major Financial Indicators

a) Earnings Per Share (Annualized)	NPR 34.34	b) Market Value Per Share	NPR 308
c) Price Earnings Ratio	8.97	d) Net Worth Per Share	NPR 148.40
e) Total Assets / No. of Share	1122.22	f) Liquidity Ratio	22.57%

### 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.

#### 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.

- 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 law suits 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	316	Minimum Share Price	219
Closing Share Price	308	Total No. of Transaction	605
No. of days of transaction	14	Total Traded no. of share	207,431

### 5. Problems and Challenges

#### Internal

- To maintain the level of interest spread.
- Managing overheads.

#### External

- Tough competition in banking industry.
- Unstable socio-political situation of the country.

#### 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.