MANJUSHREE FINANCE LIMITED
मञ्जुश्री फाईनान्स लिमिटेड
(नेपाल राष्ट्र बैक वाट ग वर्गको इजाजतपत्र प्राप्त संस्था)

कर्पोरेट कार्यालय थापाथली, काठमाण्डौं
जि.पि.ओ. बक्स: २३१७०, काठमाण्डौं, नेपाल
फोन नं. ९७७-१-४७९२५१७, फ्याक्स : ९७७-१-४७९२५१७
Web: www.manjushreefinance.com.np
Email: info@manjushreefinance.com.np

# Unaudited Financial Results

## Condensed Statement of Financial Position

**As at End of Chaitra, 2082**

(Full Figures)

| Assets | This Quarter Ending | Previous Year Ending |
|---|---|---|
| Cash and Cash Equivalent | 306,874,643 | 421,107,683 |
| Due from Nepal Rastra Bank | 1,010,783,621 | 1,020,047,544 |
| Placement With Bank and Financial Institutions | - | - |
| Derivative Financial Instruments | - | - |
| Other Trading Assets | - | - |
| Loan and Advances to B/FIs | 804,614,167 | 493,458,747 |
| Loans and Advances to Customers | 19,854,709,937 | 17,717,930,584 |
| Investment in Securities | 4,582,986,806 | 5,647,141,072 |
| Current Tax Assets | 149,548,607 | 10,238,351 |
| Investment in Subsidiaries | - | - |
| Investment in Associates | - | - |
| Investment Property | 104,135,713 | 106,271,096 |
| Property and Equipment | 512,297,907 | 506,024,259 |
| Goodwill and Intangible Assets | 8,121,461 | 5,045,855 |
| Deferred Tax Assets | 10,357,330 | 11,005,161 |
| Other Assets | 54,391,533 | 223,675,919 |
| **Total Assets** | **27,398,821,725** | **26,161,946,272** |
| **Liabilities** | **This Quarter Ending** | **Previous Year Ending** |
| Due to Bank and Financial Institutions | 410,165,800 | 838,827,455 |
| Due to Nepal Rastra Bank | 903,733,812 | 1,065,932,598 |
| Derivative Financial Instruments | - | - |
| Deposit from Customers | 22,738,798,212 | 21,034,630,051 |
| Borrowings | - | - |
| Current Tax Liabilities | 97,463,562 | - |
| Provisions | - | - |
| Deferred Tax Liabilities | - | - |
| Other Liabilities | 286,130,651 | 277,715,372 |
| Debt Securities Issued | 500,000,000 | 500,000,000 |
| Subordinated Liabilities | - | - |
| **Total Liabilities** | **24,936,292,035** | **23,717,105,476** |
| **Equity** | | |
| Share Capital | 1,351,552,849 | 1,351,552,849 |
| Share Premium | - | - |
| Retained Earning | 305,458,969 | 357,836,946 |
| Reserves | 805,517,872 | 735,451,002 |
| **Total Equity Attributable to Equity Holders** | **2,462,529,690** | **2,444,840,796** |
| **Non-Controlling Interests** | **-** | **-** |
| **Total Equity** | **2,462,529,690** | **2,444,840,796** |
| **Total Liabilities and Equity** | **27,398,821,725** | **26,161,946,272** |

## Condensed Statement of Profit or Loss

**For the Period Ended on Chaitra, 2082**

(Full Figures)

| Particulars | Current year | | Previous Year | |
|---|---|---|---|---|
| | This Quarter | Up to This Quarter Ending | This Quarter | Up to This Quarter Ending |
| Interest Income | 509,056,513 | 1,585,582,014 | 549,366,925 | 1,696,458,871 |
| Interest Expense | (277,557,528) | (900,809,261) | (326,257,136) | (1,075,293,614) |
| **Net Interest Income** | **231,498,985** | **684,772,753** | **223,109,789** | **621,165,256** |
| Fees and Commission Income | 31,533,310 | 90,245,262 | 27,734,379 | 87,661,176 |
| Fees and Commission Expense | - | - | - | - |
| **Net Fee and Commission Income** | **31,533,310** | **90,245,262** | **27,734,379** | **87,661,176** |
| **Net Interest Fee and Commission Income** | **263,032,294** | **775,018,014** | **250,844,168** | **708,826,432** |
| Net Trading Income | - | - | - | - |
| Other Operating Income | 1,088,985 | 25,296,056 | (297,589) | 17,749,067 |
| **Total Operating Income** | **264,121,279** | **800,314,071** | **250,546,579** | **726,575,499** |
| Impairment Charge/(Reversal) for Loans and Other Losses | 17,162,093 | 117,512,079 | 80,147,136 | 145,426,635 |
| **Net Operating Income** | **246,959,186** | **682,801,992** | **170,399,443** | **581,148,864** |
| **Operating Expenses** | | | | |
| Personnel Expense | 73,743,284 | 227,083,246 | 57,729,527 | 186,269,030 |
| Other Operating Expenses | 31,676,695 | 105,388,701 | 28,028,238 | 79,165,202 |
| Depreciation and Amortisation | 9,413,486 | 26,990,982 | 7,644,513 | 22,554,456 |
| **Operating Profit** | **132,125,721** | **323,339,062** | **76,997,165** | **293,160,177** |
| Non Operating Income | - | 3,209,130 | - | - |
| Non Operating Expense | 9,919,060 | 10,636,260 | (141,804) | 34,092,747 |
| **Profit before income tax** | **122,206,660** | **315,911,932** | **77,138,969** | **259,067,430** |
| Income Tax Expense | 38,674,977 | 97,001,719 | 23,099,150 | 87,948,053 |
| Current Tax | 38,674,977 | 97,001,719 | 23,099,150 | 87,948,053 |
| Deferred Tax (Expense)/Income | - | - | - | - |
| **Profit for the Period** | **83,531,683** | **218,910,213** | **54,039,819** | **171,119,377** |
| **Condensed Consolidated Statement of Other Comprehensive Income** | | | | |
| Profit/(Loss) for the Period | 83,531,683 | 218,910,213 | 54,039,819 | 171,119,377 |
| Other Comprehensive Income | 9,808,970 | 1,511,606 | 3,650,892 | 2,572,881 |
| **Total Comprehensive Income for the Period** | **93,340,653** | **220,421,819** | **57,690,711** | **173,692,259** |
| Basic Earnings per Share (Annualised) | | 21.60 | | 16.88 |
| Diluted Earnings per Share | | 21.60 | | 16.88 |
| **Profit Attributable to:** | | | | |
| Equity Holders of the Bank | 93,340,653 | 220,421,819 | 57,690,711 | 173,692,259 |
| Non-controlling Interest | - | - | - | - |
| **Total Comprehensive Income for the Period** | **93,340,653** | **220,421,819** | **57,690,711** | **173,692,259** |

## Ratios as per NRB Directive

| Particulars | Current Year | Previous Year |
|---|---|---|
| | Up to this Quarter | Up to This Quarter |
| Capital Fund to RWA | 12.69% | 14.33% |
| Non-performing Loan (NPL) to Total Loan | 3.99% | 4.20% |
| Net NPL to Total Loan | 1.51% | 1.56% |
| Total Loan Loss Provision to Total NPL | 97.36% | 99.34% |
| Cost of Funds | 4.56% | 6.13% |
| Credit to Deposit Ratio | 84.99% | 81.88% |
| Base Rate (Quarterly Average) | 6.38% | 8.75% |
| Interest Rate Spread | 4.59% | 4.59% |

## Statement of Distributable Profit or Loss

**For the Period End on Chaitra, 2082**
**(AS PER NRB REGULATION)**

(Full Figures)

| Particulars | Chaitra end 2082 | Previous Year Corresponding Quarter End |
|---|---|---|
| **Net Profit or (Loss) as per Statement of Profit or Loss** | 218,910,213 | 171,119,377 |
| **Appropriations:** | | |
| a. General Reserve | (43,782,043) | (34,223,875) |
| b. Foreign Exchange Fluctuation Fund | - | - |
| c. Capital Redemption Reserve | - | - |
| d. Corporate Social Responsibility Fund | (1,722,387) | (1,594,094) |
| e. Employees' Training Fund | - | - |
| f. Other | - | - |
| **Profit or (Loss) Before Regulatory Adjustment** | **173,405,784** | **135,301,408** |
| ***Regulatory Adjustment :*** | | |
| a. Interest Receivable (-)/Previous Accrued Interest Received (+) | (25,625,221) | (459,578) |
| b. Short Loan Loss Provision in Accounts (-)/Reversal (+) | - | - |
| c. Short Provision for Possible Losses on Investment (-)/Reversal (+) | 1,511,606 | 2,572,881 |
| d. Short Loan Loss Provision on Non Banking Assets (-)/Reversal (+) | 1,062,780 | (18,380,640) |
| e. Deferred Tax Assets Recognised (-)/ Reversal (+) | - | - |
| f. Goodwill Recognised (-)/ Impairment of Goodwill (+) | - | - |
| g. Bargain Purchase Gain Recognised (-)/Resersal (+) | - | - |
| h. Acturial Loss Recognised (-)/Reversal (+) | - | - |
| i. Other (+/-) | - | - |
| **Net Profit for the Year Available for Distribution** | **150,354,949** | **119,034,072** |
| **Opening Balance of Retained Earning** | **357,836,946** | **174,925,005** |
| **Adjustment: (+/ -)** | **-** | **(4,423,413)** |
| ***Distribution:*** | | |
| Bonus Shares Issued | - | - |
| Cash Dividend Paid | (202,732,927) | (85,823,606) |
| **Distributable Profit or (Loss)** | **305,458,967** | **203,712,059** |

**Notes:**

1. The above financial statements have been prepared in accordance with the Nepal Financial Reporting Standards (NFRS) and NRB Directives. Interest income on financial assets measured at amortized cost within the context of NFRS-9 ECL Guidelines has been recognized in accordance with the Guidance Note on Interest Income Recognition, 2025 dated 2082/04/11 issued by NRB.
2. As the loan loss provision required as per Expected Credit Loss Model is lower than the impairment charges required as per the Prudential Norms of NRB, impairment charges as per the Prudential Norms of NRB has been considered as impairment charges.
3. Regulatory adjustment on accrued interest and possible losses on investment properties (NBA) has been made as per the circular no. BFIRD/Policy/Circular/05/81-82.
4. Loans and advances include accrued interest and staff loans, and presented net of impairment charges as per NRB Directives.
5. Investment in securities have been marked to market using NFRS 13 input value and have been measured at fair value through other comprehensive income.
6. Personnel expense includes staff bonus as per the Bonus Act 2030.
7. As per clause 5(2)(kha) of Directive No. 16 of NRB Directives, Debenture Redemption Reserve has not been set aside.
8. The unaudited figures are subject to statutory audit and regulatory review. Figures have been regrouped and rearranged wherever necessary.
9. Detailed interim financial statements have been published on the website: https://www.manjushreefinance.com.np/

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

**(Related to Sub rule (1) of Rule 26, for the Third Quarter of F.Y. 2082/83**

**1. Financial Statements (as per Unaudited Figures as of 2082/12/30)**

i. Financial details as at the end of the third quarter of F.Y. 2082/83 (2082/12/30) have been published along with this disclosure.

**ii. Major Financial Indicators**

| | | | |
|---|---|---|---|
| **Earnings Per Share (Annualized)** | NPR 21.60 | **Market Value Per Share** | NPR 839.00 |
| **Price Earnings Ratio** | 38.84 | **Net Worth Per Share** | NPR 182.20 |
| **Total Assets / No. of Share** | NPR 2,027.21 | **Liquidity Ratio** | 22.46 |

**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 capital adequacy and liquidity position continues to remain strong.

**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 lawsuits 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 (Rs.)** | 938.00 | **Minimum share price (Rs.)** | 740.30 |
| **Closing share price (Rs.)** | 839.00 | **Total no. of transactions** | 29,739 |
| **No. of days of the transaction** | 52 | **Total traded no. of shares** | 9,773,049 |

**5. Problem and Challenges**

**Internal**

1) Difficulties in recovery of loans
2) Managing overheads
3) Challenges to ensure operational efficiency through digitization
4) Recruiting and retaining skilled staff

**External**

1) Intense competition from larger banks and fintech companies
2) Economic fluctuations and political instability
3) Reaching rural and underserved populations
4) Changing regulatory requirements

**Strategy to overcome the problems and challenges.**

1) Implement robust risk management system including loan collection and recovery processes
2) Implement cost-control measures, optimization of resources utilization
3) Streamline operations by adopting best practices and process improvements.
4) Customer-centric products, new business avenues, and digital banking drive growth.
5) Offer competitive pay, growth opportunities and invest in training and development

**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 to 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.