MANJUSHREE FINANCE LIMITED
मञ्जुश्री फाईनान्स लिमिटेड
(नेपाल राष्ट्र बैंक बाट ग वर्गको इजाजतपत्र प्राप्त संस्था)

कर्पोरेट कार्यालय थापाथली, काठमाण्डौं
जि.पि.ओ. बक्स: २३१७७,
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UNAUDITED FINANCIAL RESULTS (QUARTERLY)

CONDENSED STATEMENT OF FINANCIAL POSITION

As at End of Ashadh, 2083

(Full Figures)

Assets	This Quarter Ending	Previous Year Ending
Cash and Cash Equivalent	506,698,392	421,107,683
Due from Nepal Rastra Bank	922,361,249	1,020,047,544
Placement With Bank and Financial Institutions	-	-
Derivative Financial Instruments	-	-
Other Trading Assets	-	-
Loan and Advances to B/FIs	765,302,458	493,458,747
Loans and Advances to Customers	20,029,321,513	17,717,930,584
Investment in Securities	5,229,089,408	5,647,141,072
Current Tax Assets	-	10,238,351
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investment Property	154,927,092	106,271,096
Property and Equipment	531,188,776	506,024,259
Goodwill and Intangible Assets	8,886,073	5,045,855
Deferred Tax Assets	28,131,813	11,005,161
Other Assets	208,724,425	223,675,919
Total Assets	**28,384,631,200**	**26,161,946,272**
Liabilities	**This Quarter Ending**	**Previous Year Ending**
Due to Bank and Financial Institutions	468,212,092	838,827,455
Due to Nepal Rastra Bank	1,248,553,263	1,065,932,598
Derivative Financial Instruments	-	-
Deposit from Customers	23,257,187,757	21,034,630,051
Borrowings	-	-
Current Tax Liabilities	2,256,764	-
Provisions	-	-
Deferred Tax Liabilities	-	-
Other Liabilities	291,437,244	277,715,372
Debt Securities Issued	500,000,000	500,000,000
Subordinated Liabilities	-	-
Total Liabilities	**25,767,647,120**	**23,717,105,476**
Equity		
Share Capital	1,351,552,849	1,351,552,849
Share Premium	-	-
Retained Earning	420,749,266	357,836,946
Reserves	844,681,965	735,451,002
Total Equity Attributable to Equity Holders	**2,616,984,080**	**2,444,840,796**
Non-Controlling Interests	**-**	**-**
Total Equity	**2,616,984,080**	**2,444,840,796**
Total Liabilities and Equity	**28,384,631,200**	**26,161,946,272**

CONDENSED STATEMENT OF PROFIT OR LOSS
For the Period Ended on Ashadh, 2083

(Full Figures)

Particulars	Current Year		Previous Year	
	This Quarter	Up to This Quarter Ending	This Quarter	Up to This Quarter Ending
Interest Income	513,103,856	2,098,685,869	601,420,297	2,297,879,167
Interest Expense	(273,329,001)	(1,174,138,262)	342,214,218)	(1,417,507,832)
Net Interest Income	**239,774,854**	**924,547,607**	**259,206,079**	**880,371,335**
Fees and Commission Income	36,096,982	126,342,244	24,375,126	112,036,302
Fees and Commission Expense	-	-	-	-
Net Fee and Commission Income	**36,096,982**	**126,342,244**	**24,375,126**	**112,036,302**
Net Interest Fee and Commission Income	**275,871,837**	**1,050,889,851**	**283,581,205**	**992,407,638**
Net Trading Income	-	-	-	-
Other Operating Income	1,184,217	26,480,274	6,449,741	24,198,808
Total Operating Income	**277,056,054**	**1,077,370,125**	**290,030,947**	**1,016,606,446**
Impairment Charge/(Reversal) for Loans and Other Losses	(53,156,262)	64,355,817	(55,358,273)	90,068,362
Net Operating Income	**330,212,316**	**1,013,014,308**	**345,389,220**	**926,538,084**
Operating Expenses				
Personnel Expense	87,645,152	314,728,398	84,810,592	271,079,622
Other Operating Expenses	(14,799,537)	90,589,164	4,827,989	83,993,191
Depreciation and Amortisation	37,850,741	64,841,723	30,408,751	52,963,207
Operating Profit	**219,515,960**	**542,855,023**	**225,341,887**	**518,502,064**
Non Operating Income	1,335,650	4,544,780	-	-
Non Operating Expense	4,709,910	15,346,171	9,750,539	43,843,286
Profit before income tax	**216,141,700**	**532,053,632**	**215,591,348**	**474,658,778**
Income Tax Expense	58,667,252	155,668,970	73,982,995	161,931,048
Current Tax	75,147,424	172,149,143	68,798,519	156,746,572
Deferred Tax (Expense)/Income	(16,480,172)	(16,480,172)	5,184,476	5,184,476
Profit for the Period	**157,474,448**	**376,384,661**	**141,608,352**	**312,727,730**
Condensed Consolidated Statement of Other Comprehensive Income				
Profit/(Loss) for the Period	157,474,448	376,384,661	141,608,352	312,727,730
Other Comprehensive Income	(3,020,058)	(1,508,453)	3,613,302	6,186,184
Total Comprehensive Income for the Period	**154,454,390**	**374,876,209**	**145,221,655**	**318,913,913**
Basic Earnings per Share (Annualised)		27.85		23.14
Diluted Earnings per Share		27.85		23.14
Profit Attributable to:				
Equity Holders of the Bank	154,454,390	374,876,209	145,221,655	318,913,913
Non-controlling Interest	-	-	-	-
Total Comprehensive Income for the Period	**154,454,390**	**374,876,209**	**145,221,655**	**318,913,913**

Ratios as per NRB Directives

Particulars	Current Year	Previous Year
	Up to this Quarter	Up to This Quarter
Capital Fund to RWA	12.79%	13.79%
Core Capital	11.13%	12.33%
Non-performing Loan (NPL) to Total Loan	3.43%	3.12%
Net NPL to Total Loan	1.08%	0.77%
Total Loan Loss Provision to Total NPL	104.42%	120.68%
Cost of Funds	4.42%	5.87%
Credit to Deposit Ratio	82.99%	79.29%
Base Rate (Quarterly Average)	5.82%	7.81%
Interest Rate Spread	4.39%	4.59%

STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS
For the Period Ended on Ashadh, 2083
(As per NRB Regulation)

(Full Figures)

Particulars	Ashadh end 2083	Previous Year Corresponding Quarter End
Net Profit or (Loss) as per Statement of Profit or Loss	**376,384,661**	**312,727,730**
Appropriations:		
a. General Reserve	(75,276,932)	(62,545,546)
b. Foreign Exchange Fluctuation Fund	-	-
c. Capital Redemption Reserve	-	-
d. Corporate Social Responsibility Fund	(1,568,486)	(1,775,730)
e. Employees' Training Fund	-	-
f. Other	-	-
Utilization of Training Fund	-	185,598
Transferred from Fair Value Reserve	-	1,944,205
Profit or (Loss) Before Regulatory Adjustment	**299,539,243**	**250,536,257**
Regulatory Adjustment :		
a. Interest Receivable (-)/Previous Accrued Interest Received (+)	7,760,540	29,451,597
b. Short Loan Loss Provision in Accounts (-)/Reversal (+)	-	-
c. Short Provision for Possible Losses on Investment (-)/Reversal (+)	-	109,308
d. Short Loan Loss Provision on Non Banking Assets (-)/Reversal (+)	(24,216,089)	(12,873,294)
e. Deferred Tax Assets Recognised (-)/ Reversal (+)	(17,771,378)	8,727,750
f. Goodwill Recognised (-)/ Impairment of Goodwill (+)	-	-
g. Bargain Purchase Gain Recognised (-)/Reserval (+)	-	-
h. Acturial Loss Recognised (-)/Reversal (+)	332,929	(2,792,658)
i. Other (+/-)	-	
Net Profit for the Year Available for Distribution	**265,645,246**	**273,158,959**
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)	**420,749,265**	**357,836,946**

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.
   Accrued interest on loans recovered upto 15th of Shrawan 2083 has been adjusted for determination of distributable profit as per NRB Circular 19/082/83.
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 Fourth Quarter of F.Y. 2082/83

1. **Financial Statements (as per Unaudited Figures as of 2083/03/32)**

i. Financial details as at the end of the Fourth quarter of F.Y. 2082/83 (2083/03/32) have been published along with this disclosure.

ii. **Major Financial Indicators**

a) Earnings Per Share (Annualized)	NPR 27.85	d) Net Worth Per Share	NPR 193.63
b) Market Value Per Share	NPR 772.00	e) Total Assets / No. of Share	NPR 2,100.15
c) Price Earnings Ratio	27.72	f) Liquidity Ratio	24.86

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 are 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	Minimum Share Price	Closing Share Price	Total No. of Transaction	No. of days of Transaction	Total Traded no. of Share
887.00	727.10	772.00	10,366	64	2,974,191

5. **Problems 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.