MANJUSHREE FINANCE LIMITED
मञ्जुश्री फाईनान्स लिमिटेड
(नेपाल राष्ट्र बैंक बाट 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
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Unaudited Financial Results

Condensed Statement of Financial Position

As at End of Ashwin, 2083

(Full Figures)

Assets	This Quarter Ending	Previous Year Ending
Cash and Cash Equivalent	1,305,384,299	506,698,392
Due from Nepal Rastra Bank	1,036,180,399	922,361,249
Placement With Bank and Financial Institutions	-	-
Derivative Financial Instruments	-	-
Other Trading Assets	-	-
Loan and Advances to B/FIs	823,281,110	765,302,458
Loans and Advances to Customers	21,149,978,322	19,953,960,126
Investment in Securities	4,380,637,120	5,229,089,406
Current Tax Assets	-	3,853,811
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investment Property	155,721,535	154,927,091
Property and Equipment	525,474,336	531,188,776
Goodwill and Intangible Assets	8,504,986	8,886,073
Deferred Tax Assets	28,454,629	25,395,929
Other Assets	31,125,464	263,124,883
Total Assets	**29,444,742,198**	**28,364,788,195**
Liabilities	**This Quarter Ending**	**Previous Year Ending**
Due to Bank and Financial Institutions	609,333,261	468,212,092
Due to Nepal Rastra Bank	1,095,285,565	1,248,553,263
Derivative Financial Instruments	-	-
Deposit from Customers	24,352,427,242	23,257,187,756
Borrowings	-	-
Current Tax Liabilities	5,062,064	-
Provisions	-	-
Deferred Tax Liabilities	-	-
Other Liabilities	266,294,032	291,217,162
Debt Securities Issued	500,000,000	500,000,000
Subordinated Liabilities	-	-
Total Liabilities	**26,828,402,164**	**25,765,170,273**
Equity		
Share Capital	1,351,552,849	1,351,552,849
Share Premium	-	-
Retained Earning	386,556,835	410,265,129
Reserves	878,230,350	837,799,944
Total Equity Attributable to Equity Holders	**2,616,340,034**	**2,599,617,922**
Non-Controlling Interests	**-**	**-**
Total Equity	**2,616,340,034**	**2,599,617,922**
Total Liabilities and Equity	**29,444,742,198**	**28,364,788,195**

Condensed Statement of Profit or Loss

For the Period Ended on Ashwin, 2083

(Full Figures)

Particulars	Current Year		Previous Year	
	This Quarter	Up to This Quarter Ending	This Quarter	Up to This Quarter Ending
Interest Income	486,170,742	486,170,742	551,583,513	551,583,513
Interest Expense	(255,838,769)	(255,838,769)	(324,293,492)	(324,293,492)
Net Interest Income	**230,331,973**	**230,331,973**	**227,290,021**	**227,290,021**
Fees and Commission Income	38,095,614	38,095,614	31,815,979	31,815,979
Fees and Commission Expense	-	-	-	-
Net Fee and Commission Income	**38,095,614**	**38,095,614**	**31,815,979**	**31,815,979**
Net Interest Fee and Commission Income	**268,427,587**	**268,427,587**	**259,106,000**	**259,106,000**
Net Trading Income	-	-	-	-
Other Operating Income	7,757,217	7,757,217	26,783,443	26,783,443
Total Operating Income	**276,184,804**	**276,184,804**	**285,889,443**	**285,889,443**
Impairment Charge/(Reversal) for Loans and Other Losses	125,146,600	125,146,600	92,138,393	92,138,393
Net Operating Income	**151,038,204**	**151,038,204**	**193,751,050**	**193,751,050**
Operating Expenses				
Personnel Expense	79,214,281	79,214,281	79,576,365	79,576,365
Other Operating Expenses	26,912,503	26,912,503	38,125,138	38,125,138
Depreciation and Amortisation	10,827,020	10,827,020	8,746,599	8,746,599
Operating Profit	**34,084,401**	**34,084,401**	**67,302,947**	**67,302,947**
Non Operating Income	-	-	-	-
Non Operating Expense	-	-	717,200	717,200
Profit before income tax	**34,084,401**	**34,084,401**	**66,585,747**	**66,585,747**
Income Tax Expense	10,225,320	10,225,320	20,190,884	20,190,884
Current Tax	10,225,320	10,225,320	20,190,884	20,190,884
Deferred Tax (Expense)/Income	**-**	**-**	**-**	**-**
Profit for the Period	**23,859,081**	**23,859,081**	**46,394,863**	**46,394,863**
Condensed Consolidated Statement of Other Comprehensive Income				
Profit/(Loss) for the Period	23,859,081	23,859,081	46,394,863	46,394,863
Other Comprehensive Income	(7,136,970)	(7,136,970)	(13,250,371)	(13,250,371)
Total Comprehensive Income for the Period	**16,722,111**	**16,722,111**	**33,144,493**	**33,144,493**
Basic Earnings per Share (Annualised)		7.06	13.73	-
Diluted Earnings per Share		7.06	13.73	-
Profit Attributable to:				
Equity Holders of the Bank	16,722,111	16,722,111	33,144,493	33,144,493
Non-controlling Interest	-	-	-	-
Total Comprehensive Income for the Period	**16,722,111**	**16,722,111**	**33,144,493**	**33,144,493**

Ratios as per NRB Directives

Particulars	Current Year	Previous Year
	Up to this Quarter	Up to This Quarter
Capital Fund to RWA	11.84%	12.16%
Core Capital	10.20%	10.46%
Non-performing Loan (NPL) to Total Loan	4.37%	4.13%
Net NPL to Total Loan	1.67%	1.59%
Total Loan Loss Provision to Total NPL	93.22%	95.97%
Cost of Funds	3.82%	5.22%
Credit to Deposit Ratio	83.73%	83.83%
Base Rate (Quarterly Average)	5.87%	7.68%
Interest Rate Spread	4.30%	4.59%

Statement of Distributable Profit or Loss

For the Period Ended on Ashwin, 2083

(As per NRB Regulation)

(Full Figures)

Particulars	Ashwin end 2083	Previous Year Corresponding Quarter End
Net Profit or (Loss) as per Statement of Profit or Loss	**23,859,081**	**46,394,863**
Appropriations:		
a. General Reserve	(4,771,816)	(9,278,973)
b. Foreign Exchange Fluctuation Fund	-	-
c. Capital Redemption Reserve	-	-
d. Corporate Social Responsibility Fund	(234,541)	(245,267)
e. Employees' Training Fund	-	-
f. Other	-	-
Utilization of Training Fund	-	-
Transferred from Fair Value Reserve	-	-
Profit or (Loss) Before Regulatory Adjustment	**18,852,724**	**36,870,624**
Regulatory Adjustment :		-
a. Interest Receivable (-)/Previous Accrued Interest Received (+)	(39,287,055)	(39,980,530)
b. Short Loan Loss Provision in Accounts (-)/Reversal (+)	-	-
c. Short Provision for Possible Losses on Investment (-)/Reversal (+)	-	(13,250,371)
d. Short Loan Loss Provision on Non Banking Assets (-)/Reversal (+)	(395,394)	2,789,669
e. Deferred Tax Assets Recognised (-)/ Reversal (+)	(2,878,568)	-
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	**(23,708,294)**	**(13,570,608)**
Opening Balance of Retained Earning	**410,265,129**	**357,836,946**
Adjustment: (+/ -)	**-**	**-**
Distribution:		-
Bonus Shares Issued	-	-
Cash Dividend Paid	-	(202,732,927)
Distributable Profit or (Loss)	386,556,835	141,533,411
Distributable Profit or (Loss) per Share	**28.60**	**10.47**

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 in accordance with the NRB Directives.
4. MFL is in the process of implementing the Effective Interest Rate (EIR) method in respect of term loans disbursed after the end of Ashadh 2083, in accordance with Nepal Financial Reporting Standard (NFRS) 9 and the Income Recognition Guidelines for BFIs issued by Nepal Rastra Bank (NRB). The necessary adjustments arising from the implementation will be reflected in the financial statements upon completion of the process.
5. Loans and advances include accrued interest and staff loans, and presented net of impairment charges as per NRB Directives.
6. Investment in securities have been marked to market using NFRS 13 input value and have been measured at fair value through other comprehensive income.
7. Personnel expense includes staff bonus as per the Bonus Act 2030.
8. As per clause 5(2)(kha) of Directive No. 16 of NRB Directives, Debenture Redemption Reserve has not been set aside.
9. The proposed cash dividend of 15% and bonus shares of 5% out of the profits of FY 2082/83 are subject to approval by the Annual General Meeting (AGM). Accordingly, no adjustments have been made for these proposed distributions in the unaudited financial statements for the quarter.
10. The unaudited figures are subject to statutory audit and regulatory review. Figures have been regrouped and rearranged wherever necessary.
11. 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 First Quarter of F.Y. 2083/84

1. Financial Statements (as per Unaudited Figures as of 2083/06/31)

i. Financial details, as at the end of the first quarter of F.Y. 2083/84 (2083/06/31) have been published along with this disclosure.

ii. Major Financial Indicators

Earnings Per Share (Annualized)	NPR 7.06	**Market Value Per Share**	NPR 776.00
Price Earnings Ratio	109.88	**Net Worth Per Share**	NPR 193.58
Total Assets / No. of Share	NPR 2,178.59	**Liquidity Ratio**	23.93

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	802.00	**Minimum Share Price**	719.00
Closing Share Price	776.00	**Total No. of Transaction**	8,929.00
No. of days of Transaction	61	**Total Traded no. of Share**	2,102,933

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.