



BEST FINANCE COMPANY LTD.
बेष्ट फाइनेन्स कम्पनी लि.
 नेपाल राष्ट्र बैकबाट 'ग' वर्गको इजाजतपत्र प्राप्त संस्था

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Unaudited Financial Results (Quarterly)

As at 2nd Quarter (30/09/2078) of the Fiscal Year 2078/79 (Poush)

Condensed Statement of Financial Position

As on Quarter Ended 30th Poush 2078 (14 January 2022)

Amount in NPR

| Particulars | Second Quarter Ending 30th Poush 2078 | Immediate Previous Year Ending 31st Ashadh 2078 |
|--|---------------------------------------|---|
| Assets | | |
| Cash and cash equivalent | 982,805,017 | 1,057,291,607 |
| Due from Nepal Rastra Bank | 117,084,008 | 124,344,285 |
| Placement with Bank and Financial Institutions | - | - |
| Derivative financial instruments | - | - |
| Other trading assets | - | - |
| Loan and advances to B/FIs | 55,382,794 | 328,593,434 |
| Loans and advances to customers | 2,612,959,491 | 1,786,988,773 |
| Investment securities | 685,166,376 | 665,183,530 |
| Current tax assets | 45,067,713 | 41,997,351 |
| Investment in subsidiaries | - | - |
| Investment in associates | - | - |
| Investment property | 225,043,392 | 153,158,652 |
| Property and equipment | 141,989,059 | 142,512,343 |
| Goodwill and Intangible assets | 3,366,724 | 3,430,718 |
| Deferred tax assets | - | 10,532,984 |
| Other assets | 69,261,524 | 8,459,967 |
| Total Assets | 4,938,126,098 | 4,322,493,644 |
| Liabilities | | |
| Due to Bank and Financial Institutions | 219,783,721 | 180,594,376 |
| Due to Nepal Rastra Bank | 132,082,558 | 132,132,000 |
| Derivative financial instruments | - | - |
| Deposits from customers | 3,252,399,305 | 2,963,592,094 |
| Borrowing | - | - |
| Current Tax Liabilities | 913,994 | - |
| Provisions | - | - |
| Deferred tax liabilities | 20,234,124 | - |
| Other liabilities | 168,350,909 | 113,702,924 |
| Debt securities issued | - | - |
| Subordinated Liabilities | - | - |
| Total liabilities | 3,793,764,611 | 3,390,021,394 |
| Equity | | |
| Share capital | 828,913,789 | 828,913,789 |
| Share premium | 3,025,356 | 3,025,356 |
| Retained earnings | (250,845,932) | (313,515,088) |
| Reserves | 563,268,274 | 414,048,193 |
| Total equity attributable to equity holders | 1,144,361,487 | 932,472,250 |
| Non-controlling interest | | |
| Total equity | 1,144,361,487 | 932,472,250 |
| Total liabilities and equity | 4,938,126,098 | 4,322,493,644 |
| Contingent Liabilities and Commitment | 100,225,287 | 83,384,000 |
| Net assets value per share | 138.06 | 112.49 |

Ratios as per NRB Directive

| Particulars | Current Year | | Previous Year | |
|---|--------------|--------------------|---------------|--------------------|
| | This Quarter | Up to this quarter | This Quarter | Up to this quarter |
| Capital Fund to RWA | | 25.01% | | 21.27% |
| Non-performing loan (NPL) to total loan | | 3.68% | | 27.22% |
| Total Loan Loss Provision to Total NPL | | 113.83% | | 76.55% |
| Cost of Funds | | 8.02% | | 7.14% |
| Credit to Deposit Ratio | | 83.46% | | 66.30% |
| Base Rate | | 11.66% | | 10.98% |
| Interest Rate Spread | | 4.14% | | 5.15% |

Details about the distributable profit

Amount in NPR

| | |
|---|----------------------|
| Opening Retained Earnings | (313,515,088) |
| Add : | |
| Net Profit or (Loss) As per Statement of Profit or Loss | 140,209,376 |
| 1. Appropriations | 77,540,220 |
| 1.1 Profit required to be appropriated to: | 29,443,969 |
| a. General Reserve | 28,041,875 |
| b. Capital Redemption Reserve | |
| c. Exchange Fluctuation Fund | |
| d. CSR Fund | 1,402,094 |
| e. Employees Training Fund | |
| f. Other | |
| 1.2 Profit required to be transferred to Regulatory Reserve: | 48,096,251 |
| a. Transferred to Regulatory Reserve | 48,096,251 |
| b. Transferred from Regulatory Reserve | |
| Net Profit for the period ended 2nd quarter available for distribution | (250,845,932) |

Notes to Financial statements

- Above Financial statements are prepared in accordance with Nepal Financial Reporting Standards (NFRS) and certain carve-outs as issued by ICAN.
- These figures may vary with the audited figures at the instance of external auditor and/or regulator.
- Figures have been regrouped and rearranged wherever necessary.
- Loans and Advances consists of accrued interest receivable net of interest suspense and have been presented in net of any impairment.
- Loans and Advances to customers include loan to customers and loan to Employees which have been measured at amortised cost.
- Personnel expenses include employee bonus provision.
- NFRS adjustment which are subject to regulatory adjustments as per NRB directives have been shown as regulatory adjustments.
- Other Comprehensive income includes the fair value changes of items prescribed by NFRS net of tax.
- The detailed interim report has been published in finance websites www.bestfinance.com.np

धितोपत्र दर्ता तथा निष्काशन नियमावली,
 २०७३ को अनुसूची १४ (नियम २६ को उपनियम (१) संग सम्बन्धित)
आ.व. २०७८/०७९ को दोस्रो त्रैमासिक प्रतिवेदन

Condensed Statement of Profit or Loss

For the Quarter Ended 30th Poush 2078 (14 January 2022)

Amount in NPR

| Particulars | Current Year | | Previous Year | |
|---|-------------------|--------------------|----------------------|----------------------|
| | This Quarter | Up to this quarter | This Quarter | Up to this quarter |
| Interest income | 94,447,714 | 178,423,609 | 58,491,505 | 138,830,965 |
| Interest expense | 60,899,351 | 117,616,149 | 46,329,893 | 98,400,893 |
| Net interest income | 33,548,363 | 60,807,460 | 12,161,612 | 40,430,072 |
| Fee and commission income | 2,705,901 | 10,439,631 | 2,442,566 | 4,776,566 |
| Fee and commission expense | - | - | - | - |
| Net fee and commission income | 2,705,901 | 10,439,631 | 2,442,566 | 4,776,566 |
| Net interest, fee and commission income | 36,254,264 | 71,247,091 | 14,604,178 | 45,206,638 |
| Net trading income | - | - | - | - |
| Other operating income | 2,978,809 | 23,190,525 | - | - |
| Total operating income | 39,233,073 | 94,437,616 | 14,604,178 | 45,206,638 |
| Impairment charge/(reversal) for loans and other losses | (11,378,393) | (138,076,724) | 145,774,795 | 151,303,795 |
| Net operating income | 50,611,466 | 232,514,340 | (131,170,617) | (106,097,157) |
| Operating expense | | | | |
| Personnel expenses | 16,619,023 | 48,439,756 | 13,123,972 | 32,365,972 |
| Other operating expenses | 12,325,752 | 22,243,292 | 8,926,286 | 18,986,286 |
| Depreciation & Amortisation | 2,109,025 | 4,105,940 | 2,179,673 | 3,950,673 |
| Operating Profit | 19,557,666 | 157,725,352 | (155,400,547) | (161,400,087) |
| Non operating income | 440,936 | 1,260,936 | 6,743,555 | 3,744,555 |
| Non operating expense | 35,806 | 17,862,918 | - | - |
| Profit before income tax | 19,962,796 | 141,123,370 | (148,656,992) | (157,655,532) |
| Income tax expense | 913,994 | 913,994 | - | - |
| Current Tax | 913,994 | 913,994 | - | - |
| Deferred Tax | - | - | - | - |
| Profit/(loss) for the period | 19,048,802 | 140,209,376 | (148,656,992) | (157,655,532) |

Condensed Consolidated Statement of Comprehensive Income

| | | | | |
|-----------------------------------|-------------------|--------------------|----------------------|----------------------|
| Profit/(Loss) for the period | 19,048,802 | 140,209,376 | (148,656,992) | (157,655,532) |
| Other Comprehensive Income | 67,783,868 | 71,789,919 | 984,575 | 984,575 |
| Total Comprehensive Income | 86,832,670 | 211,999,295 | (147,672,418) | (156,670,958) |
| Earnings per share | | | | |
| Basic earnings per share | 33.83 | 33.83 | (38.04) | (38.04) |
| Diluted earnings per share | 33.83 | 33.83 | (38.04) | (38.04) |
| Profit attributable to: | | | | |
| Equity holders of the Bank | 86,832,670 | 211,999,295 | (147,672,418) | (156,670,958) |
| Non-controlling interest | - | - | - | - |
| Total | 86,832,670 | 211,999,295 | (147,672,418) | (156,670,958) |

Note: Interest income of previous year has been restated by Rs 57,317,217.46 due to nfrs adjustment.

१) वित्तीय विवरण:

क) त्रैमासिक अवधिको बासलात, नाफा नोक्सान सम्बन्धी विवरण :

आ.व. २०७८/०७९ को दोस्रो त्रैमासिक अवधिको अपरिष्कृत (Unaudited) बासलात तथा नाफा नोक्सान सम्बन्धी विवरण यसै साथ प्रकाशित गरिएको छ र सो विवरण यस वित्तीय संस्थाको वेबसाईट www.bestfinance.com.np मा राखिएको छ ।

ख) प्रमुख वित्तीय अनुपातहरू:

| | | | |
|--------------------|----------|---------------------------------|---------|
| प्रति शेयर आम्दानी | : ३३.८३ | पि.ई अनुपात | : १५.३७ |
| प्रति शेयर नेटवर्थ | : १३८.०६ | प्रति शेयर कुल सम्पत्तिको मूल्य | : ५९६ |
| तरलता अनुपात | : ४४.४६ | | |

२) व्यवस्थापकीय विश्लेषण :

- यस त्रयमासमा संस्थाको निक्षेपमा वृद्धि थप तथा कर्जा असुलीमा सुधार भएको छ । यस अवस्थालाई थप सुदृढ गर्दै आगामी दिनहरूमा कर्जा असुलीको प्रकृया प्रभावकारी बनाउदै लगिनेछ र कर्जा असुल उपर गर्ने व्यवस्थापनको प्राथमिकतामा रहनेछ ।
- संस्थाको कर्जा तथा निक्षेप र प्राथमिक पुँजीको अनुपातको साथै पर्याप्त तरलतालाई मध्य नजर गरी संस्थाको मुनाफामा वृद्धि गर्न कर्जा वृद्धिलाई प्राथमिकतामा राख्ने रणनीतिक योजना व्यवस्थापनको रहेको छ ।
- यस संस्थाको नगद मौज्जात, नाफा नोक्सान वा नगद प्रवाहमा तात्त्विक असर पार्न सक्ने कुनै खास घटना वा अवस्था हाल रहेको छैन ।

३) कानूनी कारवाही सम्बन्धी विवरण:

- यस अवधिमा संस्थाले वा संस्थाको विरुद्ध कुनै मुद्दा दायर भएको छैन ।
- यस अवधिमा संस्थाको संस्थापक वा संचालकले वा संस्थापक वा संचालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी वा आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर भएको छैन ।

४) संगठित संस्थाको शेयर कारोबार सम्बन्धी विश्लेषण :

- यस वित्तीय संस्थाको शेयर मूल्य धितोपत्र बजारको नीति नियम अनुसार खुल्ला बजारले निर्धारण गर्ने गरेको र सोही अनुसार नै कारोबार हुने गरेको छ ।
- यस अवधिको शेयर कारोबार देहाय बमोजिम रहेको छ ।
 शेयरको अधिकतम मूल्य : रु. ६१५.०० शेयरको न्यूनतम मूल्य : रु. ३६३.००
 अन्तिम मूल्य : रु. ५२०.०० कारोबार भएको कुल दिन : ५९
 कारोबार संख्या : २३,९५,५६०

५) समस्या तथा चुनौती :

यस संस्थालाई नेपालको वित्तीय बजारमा एक सबल वित्तीय संस्थामा परिणत गर्न विद्यमान मानव संसाधन तथा अन्य साधनहरूको यथोचित व्यवस्थापन गरी कुशलतापूर्वक अग्रि वृद्धि गर्न स्थिति रहेको छ । यसका लागि आई पर्ने समस्या तथा चुनौती समाधानका उपायहरू वारे संस्थाले समय समयमा समीक्षा गरी रणनीती समेत बनाई सोको सहजिकरणको उपाय अवलम्बन गर्ने गरेको छ । हालको COVID-19 को प्रभावलाई समेत विश्लेषण गरी आवश्यक रणनीती अवलम्बन गर्नुपर्ने देखिन्छ ।

६) संस्थागत सुशासन :

संस्थाले नेपाल राष्ट्र बैंक तथा अन्य नियमनकारी निकायहरूद्वारा जारी गरिएका संस्थागत सुशासन सम्बन्धी व्यवस्थाको पालना गरिएको छ । संस्थागत सुशासन अभिवृद्धिका लागि व्यवस्थापनद्वारा समय समयमा संस्थाको कर्मचारीहरूलाई आन्तरिक र बाह्य प्रशिक्षण तथा तालिम गर्ने गराउने गरिएको छ । संस्थागत सुशासन पालना सम्बन्धी कृयाकलापको अनुगमन गर्न लेखापरीक्षण समिति लगायतका अन्य उप समितिहरू गठन गरिएको छ । संस्थाको आन्तरिक लेखापरीक्षण नियमित रूपमा गर्ने गरिएको छ ।

७) सत्य, तथ्यता सम्बन्धमा कार्यकारी प्रमुखको उद्घोषण :

आजका मितिसम्म यस प्रतिवेदनमा उल्लेखित जानकारी तथा विवरणहरूको शुद्धता सम्बन्धमा म व्यक्तिगत रूपमा उत्तरदायित्व लिन्छु । साथै, म यो उद्घोष गर्दछु कि मैले जाने बुझेसम्म यस प्रतिवेदनमा उल्लेखित विवरणहरू सत्य, तथ्य र पूर्ण छन् र लगानीकर्ताहरूलाई सुसूचित निर्णय लिन आवश्यक कुनै विवरण, सूचना तथा जानकारीहरू लुकाइएको छैन ।