

Branches

Dillibazar 4422290 Indrachowk 5329554 Bhaktapur 6620067 Kumaripati 5408690 Tripureshwor 5331533 Nayabazar 5910738 Itahari 025-587051 Sunsari 023-530548 Birtamod 081-532056 Nepalgunj 082-563350 Ghorai, Dang 027-520949 Ilam 024-521068 Phidim 071-537282 Butwal 044-550102 Bardibas 091-417357 Dhangadi 046-570060 Nawalpur 078-501411 Gaidakot 071-590963 Bhairahawa 071-590963

CONDENSED STATEMENT OF FINANCIAL POSITION (QUARTERLY)

As on Chaitra ended 2080 (Mid April of 2024)

Figures in NPR

Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	1,176,141,428	718,370,367
Due from Nepal Rastra Bank	549,872,223	626,358,263
Placement with Bank and Financial Institutions	-	-
Derivative Financial Instruments	-	-
Other Trading Assets	-	-
Loan and advances to B/FIs	240,000,000	399,735,000
Loan and Advances to Customers	8,397,840,702	8,831,857,205
Investment Securities	2,673,642,495	3,110,776,556
Current Tax Assets	127,694,836	127,179,752
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investment Property	104,556,650	88,137,482
Property and Equipment	488,345,145	505,991,603
Goodwill and Intangible assets	-	-
Deferred Tax Assets	-	-
Other Assets	730,764,915	389,673,516
Total Assets	14,488,858,394	14,798,079,745
Liabilities	This Quarter Ending	Immediate Previous Year Ending
Due to Bank and Financial Institutions	13,916,760	107,116,960
Due to Nepal Rastra Bank	-	950,000,000
Derivative Financial Instruments	-	-
Deposits from Customers	12,419,681,768	11,472,262,452
Borrowings	-	-
Current Tax Liabilities	-	-
Provisions	-	-
Deferred Tax Liabilities	145,773,691	112,334,461
Other Liabilities	282,414,223	297,925,701
Debt securities issued	248,351,353	248,351,353
Subordinated Liabilities	-	-
Total Liabilities	13,110,137,794	13,187,990,926
Equity	This Quarter Ending	Immediate Previous Year Ending
Share Capital	946,115,200	946,115,200
Share Premium	2,475,548	2,475,548
Retained Earnings	(395,698,224)	(189,400,020)
Reserves	825,828,076	850,898,090
Total equity attributable to equity holders	1,378,720,599.82	1,610,088,818
Non-controlling interest	-	-
Total Equity	1,378,720,600	1,610,088,818
Total Liabilities and Equity	14,488,858,394	14,798,079,745

CONDENSED STATEMENT OF PROFIT OR LOSS

For the Quarter ended Chaitra 2080

Figures in NPR

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Interest Income	360,239,490	1,116,872,403	434,782,496	1,327,260,588
Interest expense	(296,509,885)	(931,504,539)	(344,293,606)	(1,011,499,867)
Net interest income	63,729,605	185,367,864	90,488,889	315,760,721
Fees and Commission Income	8,373,375	24,025,158	10,838,515	34,373,710
Fees and Commission Expense	-	-	-	-
Net fee and commission income	8,373,375	24,025,158	10,838,515	34,373,710
Net interest, fee and commission income	72,102,980	209,393,022	350,134,431	350,134,431
Net trading income	-	-	-	-
Other operating income	9,915,389	21,512,800	7,675,432	19,480,861
Total operating income	82,018,369	230,905,822	109,002,837	369,615,292
Impairment charge/(reversal) for loans and other losses	147,966,025	157,886,111	97,266,547	179,201,500
Net operating income	(65,947,656)	73,019,711	11,736,290	190,413,792
Operating Expenses				
Personnel Expense	(23,658,397)	(81,629,863)	(22,993,125)	(83,606,401)
Other Operating Expense	(23,210,979)	(63,337,128)	(21,512,234)	(61,004,682)
Depreciation and Amortization	(6,300,000)	(18,900,000)	(6,000,000)	(18,000,000)
Operating profit	(119,117,032)	(90,847,281)	(38,769,069)	27,802,709
Non operating Income	224,236	4,382,393	266,000	653,000
Non operating expense	-	-	-	-
Profit before Income tax	(118,892,796)	(86,464,888)	(38,503,069)	28,455,709
Income tax Expenses				
Current Tax	9,542,690	-	11,550,921	(8,464,754)
Deferred Tax	-	-	-	-
Profit/(loss) for the period	(109,350,106)	(86,464,888)	(26,952,148)	19,990,955

Condensed Statement of Comprehensive Income

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Profit/(loss) for the period	(109,350,106)	(86,464,888)	(26,952,148)	19,990,955
Other Comprehensive Income	(159,895,949)	(144,903,331)	(359,424,472)	(359,424,472)
Gains/(losses) from investments in equity instruments measured at fair value	(159,895,949)	(144,903,331)	(359,424,472)	(359,424,472)
Total Comprehensive Income	(269,246,055)	(231,368,218)	(386,376,621)	(339,433,517)
Basic earning per share	(11.56)	(9.14)	(2.85)	2.11
Annualized Basic earning per share	(19.44)	(12.19)	(3.80)	2.82
Diluted earning per share	(19.44)	(12.19)	(3.80)	2.82
Profit attributable to:				
Equity holders of the Bank	(269,246,055)	(231,368,218)	(386,376,621)	(339,433,517)
Non-controlling interests	-	-	-	-
Total	(269,246,055)	(231,368,218)	(386,376,621)	(339,433,517)

Ratios as per NRB Directives

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Capital fund to RWA		13.24%		13.46%
Total Loan Loss provision to Total NPL		113.98%		102.05%
Total non performing loan (NPL) to total loan		6.48%		4.71%
Cost of Funds		9.25%		11.03%
Credit to Deposit Ratio		73.50%		85.56%
Base Rate		11.57%		12.65%
Interest Rate Spread		4.59%		4.88%

Notes to Financial Statement

- Above Financial Statements are prepared in accordance with the 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 regulator.
- Figures have been regrouped and rearranged wherever necessary.
- Loans and advances consist of accrued interest receivable net of interest suspense and have been presented in net of any impairment charges. Impairment charge on loans and advances have been taken as calculated as per NRB directives using carve out no. 5 issued by Institute of Chartered Accountants of Nepal (ICAN) being higher of impairment charge calculated as per NAS 39.
- 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 and amortization of the Deferred employee benefits of subsidized loans provided as per Employees byelaws of the bank.
- NFRS adjustments which are subject to regulatory adjustments as per NRB directives have been shown as regulatory adjustments.
- Interest on staff loan provided at nominal rate has been calculated for the FY 2080.81 and divided equally among four quarters.
- Reclassification has been done wherever necessary.
- The detailed interim report has been published in the bank's website <https://www.goodwillfinance.com.np>

STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS

For the Quarter Ended Chaitra, 2080

Figures in NPR

Particulars	Amount (Rs)
Opening Retained Earnings as on year ended 2079.80	(188,858,284.12)
Net Profit For the Quarter ended Chaitra 2080	(86,464,887.51)
1. Appropriations	
1.1 Profit required to be appropriated to statutory reserve	-
a. General Reserve	-
b. Capital Redemption Reserve	-
c. Exchange Fluctuation Fund	-
d. Corporate Social Responsibility Fund	-
e. Employees Training Fund	-
f. Other	-
1.2 Profit required to be transfer to Regulatory Reserve	(120,375,052.33)
a. Transfer to Regulatory Reserve	(110,030,976.37)
b. Transfer from Regulatory Reserve	(10,344,075.96)
Net Profit for quarter ended Chaitra 2080 available for distribution	(206,839,939.84)
Closing retained Earnings as on Chaitra end 2080	(395,698,223.96)

धितोपत्र दाता निष्काशन नियमावली २०६५ को अनुसूची १४

 (नियम २२ को उप नियम (२) सँग सम्बन्धित)
 आ. ब. २०८०/८१ को तेश्रो त्रैमासिक प्रतिवेदन

1. Financial Statements Highlights

- Ratios as on third Quarter ending 2080/81

Particulars	This Quarter Ending	Previous Quarter Ending
Liquidity (CRR)	33.62%	31.37%
Value of per share on total assets	Rs. 1531.41	Rs. 1535.86
Number of equity shares	9461152	9461152
Earnings per share (Annualized)	(Rs. 12.19)	Rs. 4.84
Net worth per share	Rs. 145.72	Rs. 174.18
Price earnings ratio (Annualized)	(38.9)	92.58

2. Management's analysis of performance

- As per NFRS reporting, during this third quarter for the year 2080-81, company's profitability decreased substantially as compare to 3rd quarter of previous year 2079-2080. Likewise, loans & advances are decreased by (6.43)% and deposit a increased by 7.38% respectively as compare to 3rd quarter of previous Yr. 2079-080

3. Legal proceedings

- No law suit has been filed by or against the company in the last quarter.
- No such information has been received of law suit filed by or against the promoters or directors of the company involving violation of statutory regulation or criminal offences.
- No such information has been received of law suit filed against any promoters or directors of the company for economic offences.

4. Analysis of stock performance

- During the third quarter of FY 2080/81, total volume of 898492 no. of shares were transacted in 5128 transactions. And share price was of NPR 504/- at the highest, Rs. 419 was the lowest and NPR 474 was the closing price at the end of the 3rd quarter.

5. Problems and challenges
A. Internal Problems:

- Challenges of retaining & maintaining skilled man power.
- Building adequate leadership capabilities.

B. External Problems

- Scarcity of skilled & competent man power.
- Global pandemic of corona virus.
- Very limited investment opportunities.
- Demand for quality loan in decreasing trend

C. Strategy:

- Closely monitoring the internal and external environmental changes and adopting proactive approach.
- Undertaking various initiatives to engage employees for better performance and retention.
- Introducing new products for better serving the market.
- Achieving excellence in service for delighting the customers.
- Emphasizing on quality rather than quantity.

6. Corporate Governance

That we deal with other people's money and we have to be a role model in management of custodial capital is made clear to everyone at Goodwill, from the members of the Board to entry level staff. The decisions at the company are taken after adequate and open deliberation by committees at different level depending on the decisions.

- The Board of Directors meets regularly to formulate and review the strategies and policies, and monitor the performance
- The Audit Committee, headed by a non-executive director, meets minimum every quarter to review the performance of the company and continually suggest measures to enhance compliance and control mechanisms.
- The Management Committee, chaired by the CEO, meets regularly to review performance and make business decisions.

7. Declaration by CEO on the truthfulness of information

To the best of my knowledge and belief, I, the Chief Executive Officer, declare that the information disclosed in this report are true reflection of the company's position and performance and I have not purposefully concealed any relevant data or information that in my assessment would adversely affect the investment decision of any depositor/investor.