



Unaudited Financial Results (Quarterly)

4th Quarter ended of Fiscal Year 2081/82

Condensed Statement of Financial Position		
As on Quarter ended 32 nd Ashad 2082		
Amount in NPR		
Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	2,952,865,711	2,478,680,743
Due from Nepal Rastra Bank	2,215,803,424	2,004,682,212
Placement with Bank and Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	-	-
Loan and advances to B/FIs	3,830,832,832	3,712,564,513
Loans and advances to customers	42,018,173,718	40,550,087,131
Investment securities	12,461,104,320	14,625,163,539
Current tax assets	103,367,753	-
Investment in subsidiaries	-	-
Investment in associates	4,733,900	4,733,900
Investment property	569,777,835	532,454,431
Property and equipment	537,693,100	344,370,504
Goodwill and Intangible assets	5,366,924	6,237,690
Deferred tax assets	35,614,415	57,549,740
Other assets	425,583,971	372,470,817
Total Assets	65,160,917,903	64,688,995,218
Liabilities		
Due to Bank and Financial Institutions	1,101,615,285	914,146,754
Due to Nepal Rastra Bank	-	-
Derivative financial instruments	-	-
Deposits from customers	55,115,470,657	55,210,282,742
Borrowing	-	-
Current Tax Liabilities	-	12,006,842
Provisions	-	-
Deferred tax liabilities	-	-
Other liabilities	814,745,541	813,345,450
Debt securities issued	995,443,823	995,083,747
Subordinated Liabilities	-	-
Total liabilities	58,027,275,307	57,944,865,535
Equity		
Share capital	4,296,458,158	4,171,318,600
Share premium	-	-
Retained earnings	494,599,613	292,319,290
Reserves	2,342,584,824	2,280,491,793
Total equity attributable to equity holders	7,133,642,596	6,744,129,684
Non-controlling interest	-	-
Total equity	7,133,642,596	6,744,129,684
Total liabilities and equity	65,160,917,903	64,688,995,218
Net assets value per share	166.04	161.68

Statement of Distributable Profit or Loss		
As on Quarter ended 32 nd Ashad 2082		
(As per NRB Regulation)		
Amount in NPR		
Particulars	Current Year	Previous Year Corresponding
	Upto This Quarter	Upto This Quarter
Net profit or (loss) for the period end Ashad 82	506,665,441	500,364,925
Appropriations:		
a. General reserve	(101,333,088)	(100,072,985)
b. Capital redemption reserve	-	-
c. Exchange fluctuation fund	(526,994)	(429,907)
d. Corporate social responsibility fund	(5,066,654)	(5,003,649)
e. Employees' training fund	-	(5,589,202)
f. Other-		
Investment Adjustment Reserve	-	-
Fair value reserve	-	(4,724,820)
CSR expense reversal	-	6,329,033
Profit or (loss) before regulatory adjustment	399,738,704	390,873,393
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	129,262,152	(249,786,251)
b. Short loan loss provision in accounts (-)/ reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	-	-
d. Short loan loss provision on Non Banking Assets (-)/resersal (+)	(33,405,346)	77,113,828
e. Deferred tax assets recognised (-)/ reversal (+)	-	17,925,768
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/ reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	(1,322,885)	21,215,265
i. Other (+/-)		
Fair Value Loss	-	39,603,825
Interest Capitalized Reserve	-	-
Net profit for the period end Ashad 2082 available for distribution	494,272,625	296,945,829
Opening Retained Earning	292,319,290	267,191,345
Adjustment(+/-)		(4,853,492)
Distribution:		
Bonus Share issued	(125,139,558)	-
Cash Dividend Paid	(166,852,744)	(266,964,390)
Total Distributable Profit or (Loss) as on Chaitra Quarter End, 2081	494,599,613	292,319,291
Annualised Distributable Profit/Loss per Share	11.51	7.01

Regulatory Ratios as per NRB Unified Directive

Particulars	Current Year	Previous Year Corresponding
	Upto This Quarter (YTD)	Upto This Quarter (YTD)
Capital Fund to RWA (%)	17.49%	14.93%
Tier 1 Capital to RWA (%)	13.90%	11.80%
CET 1 Capital to RWA (%)	13.90%	11.80%
Non-Performing Loan (NPL) to Total Loan (%)	4.86%	4.07%
Total Loan Loss Provision to Total NPL (%)	112.82%	117.00%
Cost of Funds (%)	4.56%	7.03%
Credit to Deposit Ratio (CD Ratio as per NRB) (%)	83.98%	82.67%
Base Rate (%)	6.94%	9.39%
Interest Rate Spread (%)	4.48%	4.59%
Return on Equity	7.30%	7.59%
Return on Assets	0.78%	0.79%

Condensed Statement of Profit or Loss				
As on Quarter ended 32 nd Ashad 2082				
Amount in NPR				
Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Interest income	1,169,121,399	4,955,665,976	1,512,885,915	6,495,350,389
Interest expense	685,767,185	2,935,887,676	1,026,869,209	4,528,927,114
Net interest income	483,354,214	2,019,778,300	486,016,706	1,966,423,275
Fee and commission income	76,034,783	234,577,845	54,211,877	226,085,038
Fee and commission expense	12,298,171	28,282,592	5,481,464	18,873,177
Net fee and commission income	63,736,611	206,295,253	48,730,413	207,211,860
Net interest, fee and commission income	547,090,826	2,226,073,553	534,747,119	2,173,635,135
Net trading income	(323,324)	231,137	221,372	221,372
Other operating income	86,416,864	164,749,429	9,432,482	47,669,440
Total operating income	633,184,365	2,391,054,118	544,400,973	2,221,525,947
Impairment charge/(reversal) for loans and other losses	195,336,283	454,141,938	(38,820,200)	321,580,807
Net operating income	437,848,082	1,936,912,181	583,221,173	1,899,945,139
Operating expense	326,128,508	1,197,012,743	366,915,092	1,151,536,108
Personnel expenses	196,739,523	744,196,492	225,579,218	719,432,629
Other operating expenses	110,755,078	381,618,615	124,100,603	363,585,097
Depreciation & Amortization	18,633,907	71,197,637	17,235,271	68,518,382
Operating Profit	111,719,574	739,899,437	216,306,081	748,409,031
Non operating income	413,350	744,690	761,764	5,477,830
Non operating expense	11,981,498	16,836,355	8,196,591	11,370,565
Profit before income tax	100,151,427	723,807,772	208,871,255	742,516,296
Income tax expense	30,045,428	217,142,332	82,057,859	242,151,371
Current Tax	30,045,428	217,142,332	92,259,344	252,352,857
Deferred Tax Income / Expenses	-	-	(10,201,485)	(10,201,485)
Profit for the year	70,105,999	506,665,441	126,813,396	500,364,925
Condensed Consolidated Statement of Comprehensive Income				
Profit/(Loss) for the Period	70,105,999	506,665,441	126,813,396	500,364,925
Other Comprehensive Income	30,888,053	51,182,426	98,274,229	65,630,258
Total Comprehensive Income	100,994,051	557,847,867	225,087,624	565,995,183
Earnings per Share				
Basic earnings per share		11.79		12.00
Diluted earnings per share		11.79		12.00
Profit attributable to:				
Equity holders of the Bank	47,884,579	557,847,867	225,087,624	565,995,183
Non-controlling interest				-
Total comprehensive income	100,994,051	557,847,867	225,087,624	565,995,183

- Note:
- Above Financial Statements are prepared in accordance with Nepal Financial Reporting Standards (NFRS).
 - Loan & Advances Includes Staff loans and accrued interest receivable on loans and are presented net of loan impairments.
 - Bank has assessed and measured impairment loss on Loan & Advances at higher of amount derived as per norms prescribed by NRB and as per NFRS 9 .
 - Personal Expenses includes employee bonus calculated as per Bonus Act, 2030.
 - Previous Quarter ending figure have been restated, regrouped, reclassified to make them comparable, which might vary from previous quarter published figure.
 - The unaudited financial figures are subject to change from external auditor and regulatory authority.
 - Detailed interim report has been published in Bank's website www.mahalaxmibank.com.

Disclosure as prescribed by Securities Registration and Issuance Regulation, 2073

(Related to Sub rule (1) of Rule 26), for the Fourth Quarter of Fiscal Year 2081/82

1. Financial Detail

- a) Quarterly statement of financial position and statement of profit or loss has been published along with this detail.

b) Major Financial Indicators

1	Earnings per Share (Annualized)	11.79
2	Price Earnings ratio	34.91
3	Net Worth per Share	166.04
4	Return on Total Asset (Annualized)	0.78%
5	Return on Equity (Annualized)	7.30%
6	Liquidity Ratio	29.38%

2. Management Analysis:

The bank has posted a net profit of NPR 506,665,441/- up to the fourth quarter of FY 2081/82, with a growth 1.26% percentage corresponding to the previous year's quarter-end results. The bank remains strong in terms of capital adequacy and liquidity. However, due to challenges in loan recovery amidst a difficult economic situation, the non-performing assets (NPA) have increased to 4.86%. Despite reduced interest rates, adequate liquidity, and a sound credit-to-deposit (CD) position, stagnant credit demand has affected overall business performance. Nevertheless, the bank remains committed to achieving its business targets, maximizing returns, and delivering excellent customer service.

3. Details relating to legal action

- a) Case filed by or against the Bank in this year: No such information has been received.

b) Case relating to disobedience of prevailing law or commission of criminal offence filed by or against the Promoter or Director of the Bank: No such information has been received.

c) Case relating to financial crime filed against any Promoter or Director: No such information has been received.

4. Analysis of stock performance of the Bank

The Bank's share price and transaction are determined according to the demand and supply of shares in the market. Maximum, minimum and last share price of the Bank including total share transaction number, volume and days of transaction during the quarter are:

Maximum Share Price	NPR. 419.00
Minimum Share Price	NPR. 358.00
Last Share Price	NPR. 411.67
Transaction volume (No. of shares)	5,302,086
Transaction volume (Amount In NPR)	2,073,410,999
Transaction Days	63

5. Problems and Challenges

- Internal:
- i) Increased cost of operation.

ii) Sourcing and retention of quality workforce in the increased competitive banking industry.

iii) Challenge to manage operational risk and minimize risk relating to information technology.

External:

- i) Increased level of operational risk in the industry.

ii) Challenge to recover the interest as a result of overall economic downturn.

iii) Subdued credit demand.

6. Strategy to overcome Problems and Changes

- i) To revise strategy and planning according to the ongoing market scenario.

ii) Effective management of cost of deposit and total operating expense.

iii) Provide banking service to population still not within the Bank reach and mobilize deposit.

iv) Provide uninterrupted service through the use of information technology.

v) Introduction of customer-oriented & innovative products and services focusing on digital banking.

vi) Strengthening human resource capabilities to minimize various risk.

vii) Proper portfolio management targeting good quality loan customers.

viii) Focus on strengthening internal control and monitoring system and policy to cope with various risks.

7. Corporate Governance

The Bank is committed towards high standard of corporate governance, professionalism, ethical standard and compliance with superior standard in business practice. In order to maintain the superior standard of corporate governance, various committees are effectively functioning in the Bank. Further, Internal Audit Department of the Bank is also outsourced and it is functioning effectively. The Bank has been fully complying with the directives and guidelines issued by NRB.

8. Declaration of CEO

To the best of my knowledge, the information published in this report is true and fair. No material information for investors has been concealed. I personally take the responsibility for fair presentation of report.