



**Disclosure as prescribed by Securities Registration and Issuance Regulation, 2073
(Related to Sub rule (1) of Rule 26), for the Second quarter of Fiscal Year 2076/77**

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
 - i. Earnings per Share(Annualized) : NPR 19.86
 - ii. Price Earning ratio: 9.77 times
 - iii. Net Worth per Share : NPR 152.76
 - iv. Return on Total Asset (Annualized): 1.42%
 - v. Liquidity Ratio: 30.16%

2. Management Analysis:

- a) The liquidity position of the bank is satisfactory.
- b) Non-performing loan will be further managed in the coming quarter.
- c) There have been positive changes in the bank's reserve, profit, cash flow position and increment in operating income during the review period.

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 218

Minimum Share Price: NPR 167

Last Share Price: NPR 194

Transaction volume (No. of shares): 352,966 shares

Transaction volume (Amount): NPR 65,834,403

Transaction Days: 59

5. Problems and Challenges

Internal:

- i) Increased cost of operation
- ii) Challenge to maintain interest spread rate as per the directive issued by NRB
- iii) Huge staff turnover

External:

- i) Increased cost of operation due to inflation.
- ii) Slowdown in Remittance growth
- iii) Increased level of operation risk in the industry
- iv) Stiff competition
- v) Imbalance between Deposit Growth and loan growth.



महालक्ष्मी विकास बैंक लि. Mahalaxmi Bikas Bank Ltd.

(नेपाल राष्ट्र बैंकबाट “ख” वर्गको राष्ट्रिय स्तरको इजाजत प्राप्त संस्था)

6. Strategy to overcome Problems and Changes

- i) Management of Assets and liabilities
- ii) Introduction of customer-oriented & innovative products and services
- iii) Strengthening human resource capabilities to minimize various risk
- iv) Proper portfolio management targeting good quality loan customers.
- v) Identification of new investment avenues
- vi) To stringent bank internal control and monitoring system & policy to face various risk.
- vii) Expansion of branches to enhance the networking and customer base.

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, 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 of the genuineness and purity of the report till the date.