



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 2075/76.

1. Financial Detail

- a. Related party transaction has not taken place.
- b. Major Financial Indicators
 - i. Earnings per Share(Annualized) : NPR 13.90
 - ii. Net Worth per Share : NPR 136.95
 - iii. Return on Total Asset: 1.16%
 - iv. Liquidity Ratio: 26.92%

2. Management Analysis:

- a. The bank has been able to maintain the satisfactory growth over the deposit and loan during the second quarter even though the market was suffering from lack of the investable fund.
- b. Non-performing loan will be further managed in the coming quarter. There have been positive changes in the bank's reserve, profit, cash flow position and increment in operating income during the review period.
- c. During the second quarter the bank has been able to open 10 branches as follows:
Kohalpur, Surkhet, Kawaswoti, Lahan, Attariya, Dhakdhai, Thutepipal, Janakpur, Nayabazar and Chabhil.

3. Details relating to legal action

- a. **Case filed by or against the bank in this year:**
There are no legal cases except the cases which are related to the recovery of loans in the ordinary course of business.
- 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

- a. **Management view on the transactions of the shares of Bank in the share market**
Movements in the share price are determined by the open market principles. Hence, the management has neutral opinion regarding the share price movement in secondary market.
- b. **Maximum, Minimum and Closing Share price of the bank including total share transaction number, volume and days of transaction during the quarter:**
Maximum Share Price: NPR 183
Minimum Share Price: NPR 163
Last Share Price: NPR 167
Transaction volume (No. of Share): 182,635 shares
Transaction volume (Amount): NPR 31,514,516
Total transaction: 720
Transaction Days: 60



5. Problems and Challenges

- a. With the increase in business volume challenge to manage operational risk.
- b. Increased cost of operation.
- c. Challenge to manage interest spread.
- d. Slowdown in Remittance growth.
- e. Negative balance of payment.
- f. Lack of skilled and trained manpower.

6. Strategy to overcome Problems and Changes

- a. Introduction of customer-oriented & innovative products and services.
- b. Strengthening the risk management, monitoring and controlling mechanism.
- c. Proper portfolio management targeting good quality loan customers.
- d. Identification of new investment avenues.
- e. Stringent bank internal control system & policy to face various risk.
- f. Providing training to staff to enhance skills & capabilities.

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.