

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 2078/79

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)	27.30
2	Price Earnings ratio	19.60
3	Net Worth per Share	178.40
4	Return on Total Asset (Annualized)	1.78%
5	Liquidity Ratio	25.41

2. Management Analysis:

- a) The liquidity position of the bank is satisfactory.
b) Non-performing loan will be further managed in the coming quarter.

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. 883.00
Minimum Share Price	NPR. 442.00
Last Share Price	NPR. 535.10
Transaction volume (No. of shares)	14,711,048
Transaction volume (Amount)	NPR. 9,746,564,436
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 due to increase in cost of deposit.
iii) Challenge to identify areas of investment as most of the sectors are affected by the COVID-19
iv) Challenge to manage operational risk and minimize risk relating to information technology
v) Challenge to maintain deposits volume due to increased competition in the market and liquidity shortage.

External:

- i) The prolonged situation of liquidity crunch has hindered the business growth.
- ii) COVID-19 Novel Coronavirus pandemic is expected to have severe negative impacts on the global economy along with national economy
- iii) Political instability has created uncertainty in the business environment
- iv) Increased level of operation risk in the industry
- v) Challenge to recover the interest as hotels and tourism sector and other sectors are hardly hit by the lockdown and various sectors are expected to face long term effect from the pandemic.

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, HR expense and other operating expense.
- iii) Identify the areas of investment related to agricultural sector and other sectors and try to solve the problem of unemployment to certain level.
- iv) Identify borrowers that are affected by the pandemic and provide them with necessary facilities as per NRB rules and regulation.
- v) Provide banking service to population still not within the Bank reach and mobilize deposit.
- vi) Provide uninterrupted service through the use of information technology
- vii) Introduction of customer-oriented & innovative products and services focusing on digital banking.
- viii) Strengthening human resource capabilities to minimize various risk.
- ix) Proper portfolio management targeting good quality loan customers.
- x) 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 of the genuineness and purity of the report till the date.