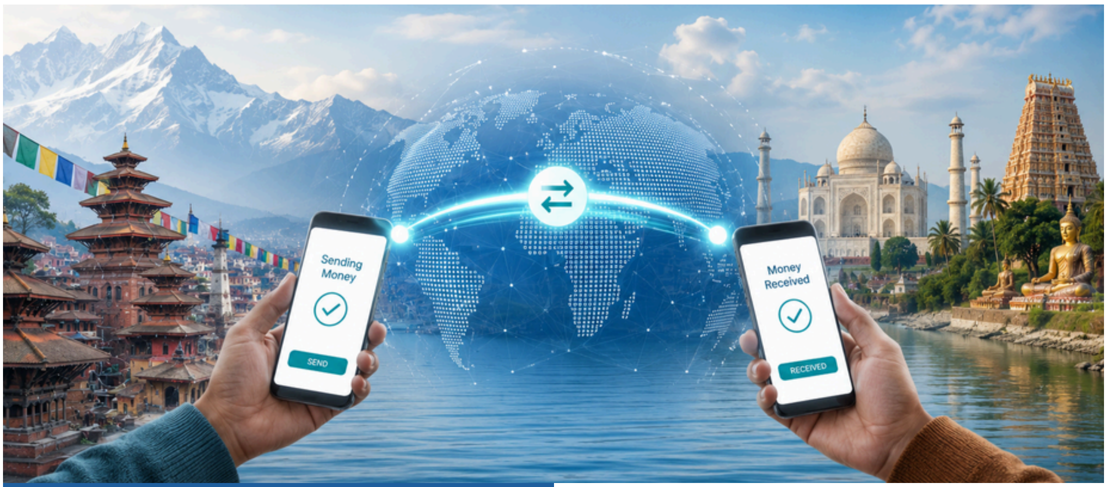
AUGUST 15, 2026

Volume II, Issue I

NCHL - CONNECT

QUARTERLY NEWSLETTER



Executive Message

This edition of NCHL Connect marks a significant milestone for NCHL as our Retail Payment Switch (RPS) surpasses NPR 1 trillion in transaction value. This achievement reflects the growing trust of our member institutions, partners, merchants, and millions of users, while highlighting Nepal's accelerating adoption of digital payments.

As the national payment infrastructure continues to evolve, NCHL remains committed to delivering secure, interoperable, and innovative payment solutions that strengthen financial inclusion and support the country's digital transformation.

We thank our stakeholders for their continued collaboration and confidence. Together, we will continue building a resilient, efficient, and future-ready payment ecosystem that creates lasting value for Nepal.

-Neelesh Man Singh Pradhan
CEO, NCHL

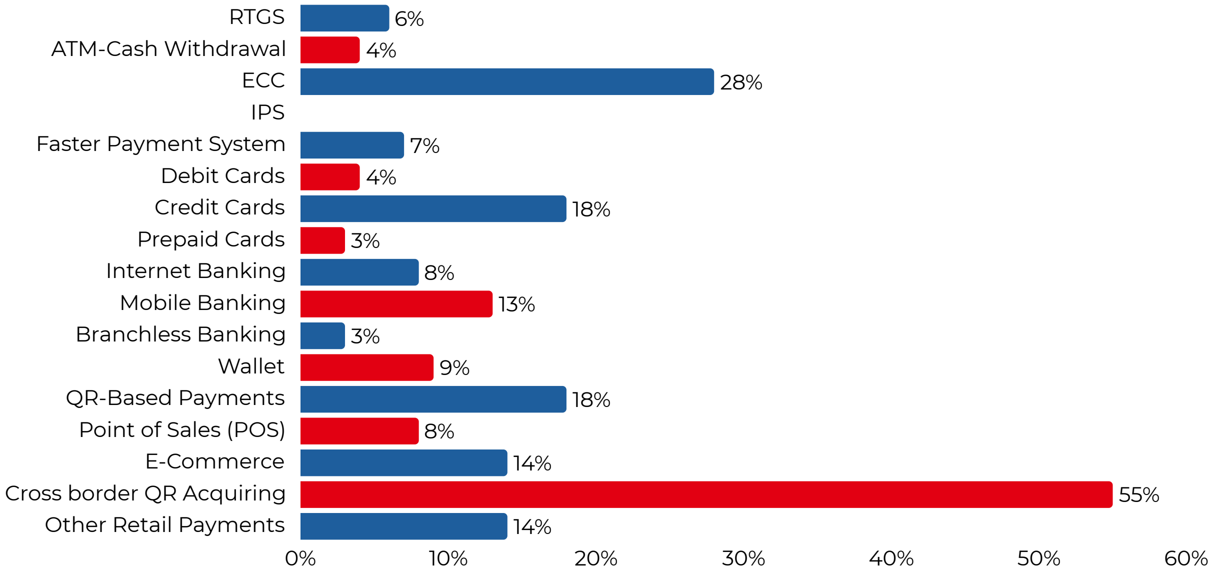
NCHL's Strategic Approach And The Way Forward

NCHL continues to advance Nepal's digital payment ecosystem through a sustainable strategy centered on developing and operating shared national payment infrastructures aligned with evolving global payment trends. By reinvesting revenues from existing platforms, NCHL continuously introduces new payment systems, expands interoperable services, and strengthens the digital ecosystem while minimizing industry-wide costs. Its hosted infrastructure, shared platforms, and seamless integrations foster innovation, improve efficiency, and accelerate digital payment adoption across the country.

In the upcoming fiscal year, NCHL will focus on enhancing payment infrastructure, strengthening cybersecurity and system resilience, expanding overlay services, and accelerating cross-border payment initiatives. Key priorities include interoperable QR payments, person-to-person transfers, and card acceptance with international partners while pursuing new regional collaborations. Through innovation and strategic partnerships, NCHL aims to position Nepal as an increasingly connected participant in the global digital payments ecosystem while promoting a secure, inclusive, and future-ready payment landscape.

QUARTERLY PAYMENTS SUMMARY

QoQ Change in Payment Systems



The quarterly data shows strong growth in cross-border QR acquiring, which recorded the highest increase at 55%, followed by ECC and QR-based payments at 28% and 18%, respectively. Other notable increases were seen in credit cards, mobile banking, wallets, and e-commerce, indicating continued expansion across both traditional and digital payment channels.

NCHL QUARTERLY STATISTICS

NCHL ECC
Transaction Volume: 4.39 Million(18% ↑)
Transaction Value: NPR 2.3 Trillion(21% ↑)

NCHL IPS
Transaction Volume: 9.75 Million
Transaction Value: NPR 1,173 Billion(35% ↑)

NCHL RPS
Transaction Volume: 44.2 Million(21% ↑)
Transaction Value: NPR 2.96 Trillion(23% ↑)

NCHL EFT
Transaction Volume: 11.1 Million
Transaction Value: NPR 82.7 Billion

NPI
Transaction Volume: 45 Million(22% ↑)
Transaction Value: NPR 2.6 Trillion(34% ↑)

CORPORATEPAY
Transaction Volume: 2.27 Million
Transaction Value: NPR 618 Billion (25% ↑)

NEPALPAY QR
Transaction Volume: 11.8 Million(36% ↑)
Transaction Value: NPR 87.8 Billion(32% ↑)

***connect*RTGS**
Transaction Volume: 98 Thousand
Transaction Value: NPR 2.4 Trillion

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NCHL ANNUAL PERFORMANCE SUMMARY

NCHL AT A GLANCE

+238 MIL

Total Transaction Volume

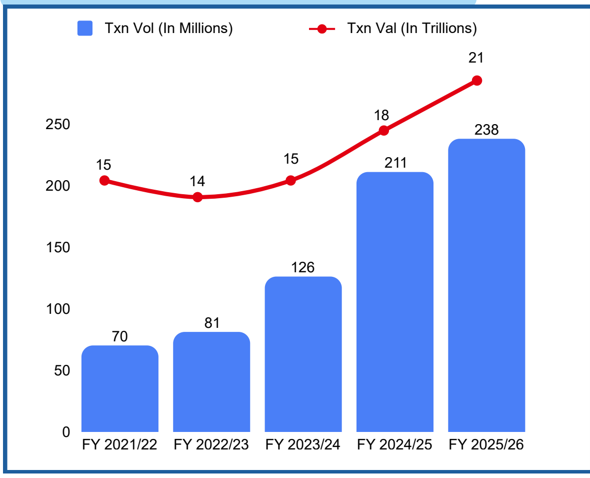
▲ 13% Growth YoY

+21 TRIL

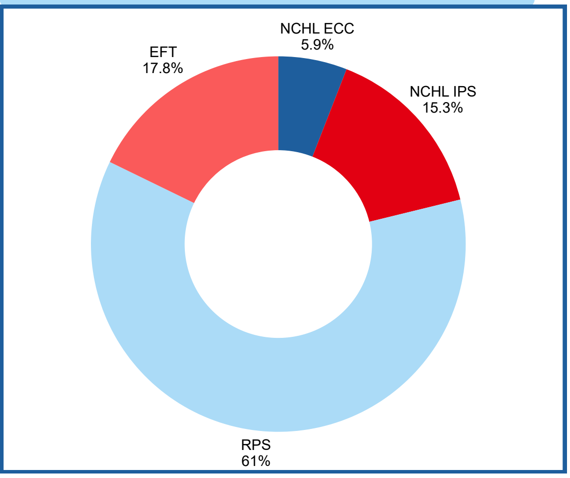
Total Transaction Value

▲ 13% Growth YoY

TRANSACTION VALUE TREND



TRANSACTION SHARE BY SYSTEM



PRODUCT HIGHLIGHTS

connect IPS

pay direct from bank

RPS Transactions:
144 Million Worth NPR 9.3 Trillions
▲ 13% Growth YoY

Users:
1.58 Million

NEPALPAY

नेपालको आफ्नै QR

QR Transactions:
36 Million Worth NPR 266 Billions
▲ 56% Growth YoY

QR Merchants:
1.21 Million

NPI

NPI Transactions:
144 Million Worth NPR 7.9 Trillions
▲31% Growth YoY

Technical Members:
127 Live Members

NEPALPAY

नेपालको आफ्नै कार्ड

NEPALPAY Card Transactions:
50,000 Worth NPR 231 Millions
Live Date: 18th December 2025

NEPALPAY Cards Issued:
~2,000

The Rise of Real Time Payments
NCHL's RPS Crosses NPR 1.2 Trillion in Monthly Transactions

Nepal Clearing House Limited (NCHL) has achieved a major milestone with its Retail Payment Switch (RPS) processing more than NPR 1.2 trillion in transaction value during the month of Asadh 2083. During the month, the platform processed 17 million transactions with a total value of NPR 1.2 trillion, underscoring the rapid growth of Nepal's interoperable digital payment ecosystem.

RPS serves as a single transaction processing engine for a broad range of interoperable payment services that collectively support Nepal's digital economy. These include real-time account-to-account transfers, interoperable NEPALPAY QR payments, payments initiated through mobile banking and digital wallets using the National Payments Interface (NPI), online merchant payments, utility and bill payments through the Biller Gateway, Request-to-Pay services via NEPALPAY Request, Virtual Payment Address (VPA)-based transfers through NEPALPAY Instant, secure account tokenization, NFC-based account-to-account payments through NEPALPAY Tap, and multilateral net settlement integrated with RTGS system. By enabling these payment instrument, the NPS has eliminated the need for multiple isolated payment networks while fostering innovation across the financial ecosystem.

Crossing the NPR 1 trillion mark demonstrates the growing trust in Nepal's digital payment infrastructure and reinforces NCHL's commitment to delivering reliable, secure, and innovative payment solutions. As digital payments continue to accelerate, NCHL remains focused on enhancing interoperability, expanding payment capabilities, and strengthening the resilience of the national payment ecosystem.

KEY EVENTS

NPCI–NCHL Cross-Border P2P Launch

In June 2026, NCHL and NPCI International Payments Limited (NIPL) successfully launched the real-time cross-border person-to-person (P2P) remittance service between Nepal and India by linking Nepal's National Payments Interface (NPI) with India's Unified Payments Interface (UPI). The integration enables secure, instant, and cost-effective remittances through participating banks, marking a major milestone in regional payment connectivity and strengthening financial inclusion for millions of users across the two countries.

LankaPay Cross-Border P2M QR Launch

In May 2026, NCHL and LankaPay officially launched cross-border QR payment connectivity between Nepal and Sri Lanka. The service allows Nepali travelers to make seamless digital payments using their domestic mobile banking apps and connectIPS by scanning LankaQR at over 400,000 merchants across Sri Lanka. The initiative strengthens regional financial integration, enhances tourism and commerce, and demonstrates NCHL's commitment to expanding interoperable cross-border payment services.