



Quarterly Financial Results for Second Quarter, F.Y. 2081/82 B.S.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Fig in NPR.

Particulars	Unaudited	Unaudited
	At the end of this Quarter	At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	115,143	122,976
Property and Equipment	401,861,721	424,203,553
Investment Properties		
Deferred Tax Assets		
Investment in Subsidiaries		
Investment in Associates		
Investments	107,262,552,277	100,302,577,745
Loans	21,968,263,682	22,216,594,678
Reinsurance Assets		
Current Tax Assets		277,197,028
Insurance Receivables	12,678,341	28,942,871
Other Assets	8,156,959	8,236,838
Other Financial Assets	3,389,529,479	3,269,414,425
Cash and Cash Equivalent	2,201,566,421	1,857,624,513
Total Assets	135,244,724,023	128,384,914,628
Equity:		
Share Capital	2,653,200,000	2,653,200,000
Share Application Money Pending Allotment		
Share Premium	61,151,801	61,151,801
Catastrophe Reserves	585,250,147	571,066,882
Retained Earnings	2,636,681,334	2,510,450,279
Other Equity	496,620,351	425,512,455
Total Equity	6,432,903,633	6,221,381,417
Liabilities:		
Provisions	60,000,898	51,722,288
Gross Insurance Contract Liabilities	127,585,502,377	120,281,030,011
Deferred Tax Liabilities	38,183,344	14,953,487
Insurance Payable	97,958,423	85,613,711
Current Tax Liabilities	119,675,106	-
Borrowings	-	-
Other Liabilities	346,514,709	584,689,562
Other Financial Liabilities	563,985,533	1,145,524,152
Total Liabilities	128,811,820,390	122,163,533,211
Total Equity and Liabilities	135,244,724,023	128,384,914,628

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Fig in NPR.

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Income:				
Gross Earned Premiums	4,886,225,344	9,459,942,970	4,152,547,735	8,663,145,362
Premiums Ceded	(29,471,194)	(54,753,604)	(18,961,928)	(38,544,130)
Net Earned Premiums	4,856,754,150	9,405,189,366	4,133,585,807	8,624,601,232
Commission Income	3,098,906	3,098,906	222,227	1,409,700
Other Direct Income	71,013,679	125,685,301	48,374,443	115,743,025
Interest Income on Loan to Policyholders	565,140,354	1,171,439,182	582,147,343	1,113,987,577
Income from Investments and Loans	2,437,795,250	4,980,445,471	2,273,206,827	4,562,697,266
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	-	33,000	-	-
Total Income	7,933,802,339	15,685,891,226	7,037,536,647	14,418,438,800
Expenses:				
Gross Benefits and Claims Paid	3,159,172,522	5,819,421,428	2,554,007,638	5,256,979,667
Claims Ceded	-	(650,000)	(2,366,666)	(6,538,399)
Gross Change in Contract Liabilities	3,468,578,731	7,304,472,366	3,280,266,088	6,797,922,305
Change in Contract Liabilities Ceded to Reinsurers	-	-	-	-
Net Benefits and Claims Paid	6,627,751,253	13,123,243,794	5,831,907,060	12,048,363,573
Commission Expenses	369,056,309	656,414,511	354,642,756	660,938,232
Service Fees	36,425,656	70,538,920	31,004,923	64,684,509
Other Direct expenses	-	-	-	-
Employee Benefits Expenses	96,465,706	210,830,127	75,207,728	169,266,575
Depreciation and Amortization Expenses	17,326,366	26,143,166	4,467,289	9,172,837
Impairment Losses	-	-	-	-
Other Operating Expenses	90,706,284	147,994,835	86,532,477	143,116,055
Finance Cost	45,46,560	8,744,603	-	-
Total Expenses	7,242,278,134	14,243,909,956	6,383,762,233	13,095,541,781
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	691,524,205	1,441,981,270	653,774,414	1,322,897,019
Share of Net Profit of Associates accounted using Equity Method				
Profit Before Tax	691,524,205	1,441,981,270	653,774,414	1,322,897,019
Income Tax Expenses	628,557,198	1,300,148,624	576,878,708	1,186,271,117
Net Profit/(Loss) For The Year	63,000,007	141,832,646	76,895,706	136,625,902
Earning Per Share				
Basic EPS		10.69		10.30
Diluted EPS		10.69		10.30

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Fig in NPR.

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Net Profit/(Loss) For The Year	63,000,007	141,832,646	76,895,706	136,625,902
Other Comprehensive Income	(387,574,678)	69,689,570	25,565,038	(6,757,008)
Total Comprehensive Income	(324,574,671)	211,522,216	102,460,744	129,868,894

Disclosure as per Section 84(3) of Insurance Act, 2079

1 Solvency Ratio related disclosure:

The Solvency Ratio for the year ended Asadh 32, 2080 is declared as 3.7 which is above the requirements prescribed by Nepal Insurance Authority, the valuation for the FY 2080-81 is being submitted to NIA for approval.

2 Reinsurance related disclosure:

- The Company currently has reinsurance arrangements with Nepal Re and Himalayan Re in Nepal and Hannover Re in Malaysia.
- Reinsurance Premium ceded to the reinsurers up to FY 2023-24 has been already made, is in accordance with the directives issued by Nepal Insurance Authority (NIA) from time to time and as per the terms already agreed between the insurer and reinsurer.
- Claims recoverable from reinsurers are based on the cession made in respect of each risk. The estimated recoverable is aligned with the provisions made by the company for outstanding claims, ensuring consistency between the loss provisions and the amounts expected from reinsurance recoveries.
- Although we mitigate our exposures through prudent reinsurance arrangements, the primary responsibility for fulfilling claims made by policy holders rests with the Company. Default of reinsurers does not negate this obligation and in that respect the Company carries a credit risk up to the extent ceded to each reinsurer. Proper provision to mitigate such credit risk has already incorporated in our Valuation report as prescribed by the Regulator.

3 Details regarding legal proceeding:

Certain legal cases concerning tax matters are currently pending before the Supreme Court, following our successful outcomes in the Revenue Tribunal.

4 Corporate Governance:

We declare that we comply with the provision of Corporate Governance Directives, 2075 issued by Nepal Insurance Authority and other prevailing laws & regulation to which company shall adhere to.

5 Regulatory limit on expenses ratio:

Particulars	Current Year	Previous Year
	Upto This Quarter End (YTD)	Upto This Quarter End (YTD)
Total Management Expenditure	1,120,666,162	1,044,278,204
Agent related Expenditure	96,364,769	740,895,044
Total Premium	9,459,942,970	8,663,145,362
First Premium	1,330,160,193	1,050,343,899
Total Management Expenditure as percentage of Total Premium	11.85%	12.05%
Agent related Expenditure as percentage of First Premium	7.24%	7.05%

6 Any other disclosure as deemed relevant

Having received approval for the rights issue, we are now in the final stages of completing the process.

Disclosure as required by Rule 26 (1) of Annexure 14 of Securities Listing and Issue Directives, 2073

Financial Statements

- The Financial Statements for the company for second quarter of FY 2081-82 has been published along with this report. The interim financial reports have been prepared as per the Quarterly Financials Circular, 2080 issued by Nepal insurance Authority

2 Major Financial Indicators

Earnings per Share (Annualised)	10.69	Net worth per share	242.46
PE Ratio	197.83	Assets per share	5,097.42

3 Management Analysis

The transactions of the company for the second Quarter of FY 2081-82 can be summarized as follows:

Particulars	Q2 FY 2081-82	Q2 FY 2080-81
Total Premium	9,459,942,970	8,663,145,362
Net Profits	141,832,646	136,625,902
Life Insurance Fund	127,279,481,509	113,465,379,047
Total investments	107,262,552,277	100,302,577,745

4 Details of Share Transactions

The shares of the companies are listed and actively traded in Nepal Stock Exchange Limited. The details of the share transactions of the company during the quarter are mentioned below

Maximum Rate	2157	No. of Transaction	17,275
Minimum Rate	1,106	No. of Transaction days	55
Closing Price	1,110		

DISCLOSURES IN BOTH GROUP AND STANDALONE FINANCIAL STATEMENTS DISCLOSURES: OTHER DETAILS/INDICATORS

Particulars	Current Year	Previous Year
	Upto This Quarter End (YTD)	Upto This Quarter End (YTD)
1. Total Inforce Policy count	686,451	693,377
2. Total no of policy issued during the year	29,059	28,379
3. First Year Premium (including single premium)	1,330,160,193	1,050,343,899
4. Single Premium	181,364,358	52,202,767
5. Renewal Premium	8,129,782,777	7,612,801,463
6. Total Benefits and Claims Paid in Count	13,896	13,399
7. Outstanding Benefits and Claims in Count	6,002	5,994
8. Gross Claim outstanding (Amount)	306,103,733	330,797,415
9. Declared Bonus rate (FY 2022-23)	40-64	40-64
10. Interim bonus rate FY (2023-24 and 2024-25)	40-64	39-64
11. Long Term Investments (Amount)	95,762,192,453	86,250,968,510
12. Short Term Investments (Amount)	11,500,359,824	7,027,839,600
13. Policyholders Loan	21,836,642,550	21,927,181,683
14. Investment in cost value	107,064,015,570	93,278,808,110
15. Life Insurance Fund	127,279,481,509	113,465,379,047
16. Unearned Premium reserve for term policies (Amount)	5,723,189	4,678,565
17. Solvency Margin Ratio (As on 16.07.2023)	3.76	3.76