

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

Fig in NPR.

Particulars	Unaudited	
	At the end of this Quarter	At the end of Immediate Previous Year
<b>Assets:</b>		
Goodwill & Intangible Assets	393,649	360,659
Property and Equipment	87,720,222	92,970,372
Investment Properties	-	-
Deferred Tax Assets	15,439,800	15,439,800
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	1,846,886,811	1,821,270,676
Loans	-	-
Reinsurance Assets	1,457,672,688	1,241,547,284
Current Tax Assets	3,050,421	-
Insurance Receivables	1,036,735,167	911,857,100
Other Assets	502,219,550	545,940,758
Other Financial Assets	680,605,033	182,923,491
Cash and Cash Equivalent	108,056,575	50,856,714
<b>Total Assets</b>	<b>5,738,779,915</b>	<b>4,863,166,853</b>
<b>Equity:</b>		
Share Capital	1,376,122,260	1,376,122,260
Share Application Money Pending Allotment	-	-
Share Premium	-	-
Catastrophe Reserves	86,473,387	81,406,176
Retained Earnings	95,469,087	75,200,246
Other Equity	1,306,499,754	998,071,419
<b>Total Equity</b>	<b>2,864,564,488</b>	<b>2,530,800,102</b>
<b>Liabilities:</b>		
Provisions	203,252,286	128,643,595
Gross Insurance Contract Liabilities	1,957,201,855	1,739,677,081
Deferred Tax Liabilities	-	-
Insurance Payable	277,903,094	184,898,295
Current Tax Liabilities	21,716,616	22,222,849
Borrowings	-	-
Other Liabilities	26,098,082	71,563,721
Other Financial Liabilities	388,043,494	185,361,210
<b>Total Liabilities</b>	<b>2,874,215,427</b>	<b>2,332,366,752</b>
<b>Total Equity and Liabilities</b>	<b>5,738,779,915</b>	<b>4,863,166,853</b>

**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)
<b>Income:</b>				
Gross Earned Premiums	443,385,703	443,385,703	392,044,706	392,044,706
Premiums Ceded	313,846,799	313,846,799	291,428,374	291,428,374
<b>Net Earned Premiums</b>	<b>129,538,904</b>	<b>129,538,904</b>	<b>100,616,332</b>	<b>100,616,332</b>
Commission Income	75,175,804	75,175,804	62,508,527	62,508,527
Other Direct Income	-	-	-	-
Income from Investments and Loans	45,598,373	45,598,373	25,337,699	25,337,699
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	-	-	964,118	964,118
<b>Total Income</b>	<b>250,313,081</b>	<b>250,313,081</b>	<b>189,426,675</b>	<b>189,426,675</b>
<b>Expenses:</b>				
Gross Claims Paid	148,527,226	148,527,226	166,455,504	166,455,504
Claims Ceded	58,127,557	58,127,557	110,226,196	110,226,196
Gross Change in Contract Liabilities	(217,524,775)	(217,524,775)	(21,000,493)	(21,000,493)
Change in Contract Liabilities Ceded to Reinsurers	(216,125,404)	(216,125,404)	(30,160,894)	(30,160,894)
<b>Net Claims Incurred</b>	<b>89,000,298</b>	<b>89,000,298</b>	<b>65,389,709</b>	<b>65,389,709</b>
Commission Expenses	8,116,115	8,116,115	7,610,324	7,610,324
Service Fees	2,427,375	2,427,375	1,086,080	1,086,080
Other Direct expenses	-	-	-	-
Employee Benefits Expenses	53,500,465	53,500,465	45,853,869	45,853,869
Depreciation and Amortization Expenses	5,250,150	5,250,150	6,469,420	6,469,420
Impairment Losses	1,500,000	1,500,000	3,135,200	3,135,200
Other Operating Expenses	18,129,959	18,129,959	15,094,028	15,094,028
Finance Cost	-	-	1,310,968	1,310,968
<b>Total Expenses</b>	<b>177,924,362</b>	<b>177,924,362</b>	<b>145,949,598</b>	<b>145,949,598</b>
<b>Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax</b>	<b>72,388,719</b>	<b>72,388,719</b>	<b>43,477,078</b>	<b>43,477,078</b>
Share of Net Profit of Associates accounted using Equity Method	-	-	-	-
<b>Profit Before Tax</b>	<b>72,388,719</b>	<b>72,388,719</b>	<b>43,477,078</b>	<b>43,477,078</b>
Income Tax Expenses	21,716,616	21,716,616	1,695,762	1,695,762
<b>Net Profit/(Loss) For The Year</b>	<b>50,672,103</b>	<b>50,672,103</b>	<b>41,781,315</b>	<b>41,781,315</b>
<b>Earning Per Share</b>				
Basic EPS	14.73	14.73	12.14	12.14
Diluted EPS	14.73	14.73	12.14	12.14

**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	50,672,103	50,672,103	41,781,315	41,781,315
Other Comprehensive Income	(39,219,559)	(39,219,559)	(37,351,961)	(37,351,961)
<b>Total Comprehensive Income</b>	<b>11,452,544</b>	<b>11,452,544</b>	<b>4,429,355</b>	<b>4,429,355</b>

**OTHER DETAILS**

Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total Issued Policy Count	24,675	30,129
2. Total Renewed Policy Count	8,393	8,432
3. Gross Written Premium	565,874,802	412,946,109
4. Total Claims Paid Count	5,017	5,517
5. Outstanding Claims Count	2,234	2,733
6. Long Term Investments (Amount Rs)	403,130,270	403,067,118
7. Short Term Investments (Amount Rs)	1,443,756,541	954,229,188

**Note:**

1. The above financial statements are prepared in accordance with Nepal Financial Reporting Standards(NFRS)
2. Figures Presented above may change after the statutory audit is completed.
3. The figures of the previous quarters have been restated as per requirements.
4. The actuarial valuation of the employee benefits as per NAS 19 is done by the company on a yearly basis and hence are not reflected in the interim financial statement for the quarter.

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

1. Solvency Ratio related disclosure: Solvency ratio of the company for FY 2078/79 end is 1.73 times.
2. Reinsurance related disclosure: Company has done reinsurance with the local as well as foreign re-insurer as per the directive issued by regulatory authority.
3. Details regarding legal proceeding: No any such legal case against the company arising from its activities other than normal business operations.
4. Corporate Governance: The company follows all the legal and regulatory compliance to maintain high standard of corporate governance.
5. Regulatory limit on expenses ratio: The expense ratio of the company is within the expense ratio prescribed by Nepal Insurance Authority.
6. Any other disclosure as deemed relevant : N/A

**DISCLOSURE AS PER ANNEXURE 14 OF RULE 26 OF SUB RULE(1)  
SECURITIES REGISTRATION AND ISSUE REGULATION 2073  
FIRST QUARTER OF FINANCIAL YEAR 2080/81**

**1. Financial Statements**

a. The unaudited financial statements for the first quarter and financial ratios have been published along with this report.

**b. Major Financial Highlights and Analysis**

<b>Key Financial Ratios</b>	<b>This Quarter End</b>
Earnings Per Share (EPS)	14.73
Price Earnings Ratio	44
Net worth Per Share	208
Total Assets Per Share	417
Liquidity Ratio	1.96

**2. Management Analysis**

a) The company during the first quarter has collected NPR 565 million gross premium which in comparison to the corresponding previous year's premium collection for the same period has exceeded by 37% and have earned net NPR 50 million net profit during the period.

b) company has made gross claim payment of NPR 58 million until the end of the first quarter 2080/81.

c) The company has no any incidents and situations from the past that might affect the deposits, profits and cash flow of the company.

**3. Legal Proceedings**

There has been no any pending litigations and dispute by and against the company during the said period. There have been no any known disputes, litigations, offences and breach of applicable laws by and against the promoters and directors of the company.

**4. Analysis on Share Transaction of the Company**

Since shares of the company are traded based on the trust of investors towards the company and analysis of its returns, no major fluctuations are noted in the share price of the company and there has been satisfactory trading of shares in the capital market. The company remains committed towards providing the notices and information to investors and stakeholders. The major highlights of share transaction during the quarter are as follows:-

Maximum Share Price (NPR)	798
Minimum Share Price (NPR)	635
Closing share Price (30th Ashwin 2080) (NPR)	652
Total Number of Shares Traded	642,821
Total Number of Transaction Days	62

**5. Problems and Challenges**

Problems: The Nepalese insurance market is estimated to have contract due to slow downfall in the economic activities. The main challenges of Nepalese nonlife insurance business includes Low insurance penetration, high inflation, economic uncertainty and unhealthy competition among the nonlife insurers.

Management Strategy:

The company aims to raise awareness among the people all around the country regarding the importance of having nonlife insurance which will support the growth of nonlife insurance products and by building on the progress that have been already made and quality growth that will protect and grow our market position in the future. The company has prepared proper business plans and strategies to grow the company's business. The company and its management are capable in tackling and mitigating any problems and challenges that may be faced during its operation.

## **6. Corporate Governance**

Details of the actions taken by the management for enhancing the Corporate Good Governance : The company has fully complied with the corporate good governance directive 2080 issued by Nepal Insurance Authority . The company is continuously monitoring the compliance with the corporate good governance directive with the help of its comprehensive manuals and regulations. The Board of Directors, Audit Committee, Senior Management Compliance Officer are committed to upholding Corporate good governance practices in the company.

## **7. Declaration**

I, the Chief Executive Officer of this Company, take the responsibility of accuracy of the information and details mentioned in this report for the period up to first quarter of FY 2080/081, hereby declare that the information and details provided in this Report are true, based on facts, and complete to the best of my knowledge and that information necessary for taking informed decision by the investors are not concealed.