NMIC
नेपाल माइको इन्स्योरेन्स कम्पनी लिमिटेड
Nepal Micro Insurance Company Limited
Maharjan Complex, Bharatpur, Chitwan
फोन नं. ०५६-४९४३२७, ०१-४५२९३६३
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Quarterly Unaudited Financial Results for the Fourth quarter, F.Y. 2082/83 B.S

CONDENSED STATEMENT OF FINANCIAL POSITION

Fig In '000

Particulars	At the end of this Quarter	At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	13,256.99	12,492.39
Property and Equipment	31,165.78	32,306.19
Investment Properties	-	-
Deferred Tax Assets	4,315.13	-
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	697,538.70	801,247.68
Loans	-	-
Reinsurance Assets	153,629.81	102,797.87
Current Tax Assets	40,395.07	26,472.60
Insurance Receivables	-	-
Other Assets	7,418.35	2,188.78
Other Financial Assets	166,278.01	5,421.17
Cash and Cash Equivalent	74,159.58	27,892.68
Total Assets	**1,188,157.42**	**1,010,819.35**
Equity:		
Share Capital	750,000.00	750,000.00
Share Application Money Pending Allotment		
Share Premium		
Special Reserve	23,738.84	4,318.71
Catastrophe Reserves	2,373.88	431.87
Retained Earnings	20,659.90	-5,700.00
Other Equity	915.62	-93.24
Total Equity	797,688.24	748,957.34
Liabilities:		
Provisions	26,473.23	2,897.93
Gross Insurance Contract Liabilities	259,178.39	171,919.78
Deferred Tax Liabilities	-	2,258.18
Insurance Payable	48,574.25	51,738.55
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	47,268.04	31,370.46
Other Financial Liabilities	8,975.28	1,677.12
Total Liabilities	**390,469.19**	**261,862.01**
Total Equity and Liabilities	**1,188,157.43**	**1,010,819.35**

CONDENSED STATEMENT OF PROFIT OR LOSS

Fig In '000

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Income:				
Gross Earned Premiums	158,723.49	297,048.36	65,994.60	193,695.64
Premiums Ceded	-89,947.32	-172,868.14	-44,589.06	117,622.86
Net Earned Premiums	**68,776.17**	**124,180.22**	**21,405.54**	**76,072.78**
Commission Income	20,756.17	38,262.88	8,138.99	18,178.74
Other Direct Income	-	-	-	-
Income from Investments and Loans	10,465.79	34,710.16	8,864.23	39,708.62
Net Gain/(Loss) on Fair Value Changes	-11,249.25	-11,249.25	-7,971.15	-12,202.35
Net Realised Gains/(Losses)	-61.92	69,653.16	-	23,767.03
Other Income	-	2,100.00	-809.87	60.00
Total Income	**88,686.96**	**257,657.17**	**29,627.73**	**145,584.82**
Expenses:	-			
Gross Claims Paid	35,456.97	86,294.33	19,509.28	53,839.58
Claims Ceded	-19,721.45	-51,859.15	-12,249.64	-34,334.66
Gross Change in Contract Liabilities	11,810.42	59,104.05	-12,027.03	22,958.89
Change in Contract Liabities Ceded to Reinsurers	**-7,184.51**	**-36,444.93**	**7,103.04**	**-14,934.99**
Net Claims Incurred	**20,361.44**	**57,094.30**	**2,335.64**	**27,528.82**
Commission Expenses	1,298.36	2,536.32	501.04	1,081.38
Service Fees	140.87	688.56	106.85	539.23
Other Direct expenses	-	-	-	-
Employee Benefits Expenses	27,384.87	71,324.67	20,426.63	57,824.92
Depreciation and Amortization Expenses	75.96	6,528.90	1,752.68	6,099.96
Impairment Losses	-	-	-	-
Other Operating Expenses	14,875.34	58,011.71	1,210.72	47,808.92
Finance Cost	124.55	600.85	211.94	931.54
Total Expenses	**64,261.38**	**196,785.32**	**26,545.49**	**141,814.77**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**24,425.57**	**60,871.85**	**3,082.24**	**3,770.05**
Share of Net Profit of Associates accounted using Equity Method	-	-	-	-
Profit Before Tax	**24,425.57**	**60,871.85**	**3,082.24**	**3,770.05**
Income Tax Expenses	7,327.67	18,261.55	924.67	2,112.95
Net Profit/(Loss) For The Year	**17,097.90**	**42,610.29**	**2,157.57**	**1,657.10**
Earning Per Share				
Basic EPS	2.28	5.68	0.29	0.22
Diluted EPS	2.28	5.68	0.29	0.22

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Fig In '000

Particulars	Current Year		Corresponding	Previous Year
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Net Profit/(Loss) For The Year	17,097.90	42,610.29	2,157.57	1,657.10
Other Comprehensive Income				
Total Comprehensive Income	**17,097.90**	**42,610.29**	**2,157.57**	**1,657.10**

Other Details

Particulars	Current Year	Previous Year
	Upto This Quarter (YTD)	Upto This Quarter (YTD)
1. Total Issued Policy Count	126,085	106,553
2. Total Renewed Policy Count	2,169	411
3. Total Claim paid count	1,222	671
4. Outstanding Claim paid count	905	545
5. Gross outstanding claim including IBNR and IBNER ('000)	80,999	34,653
6. Net outstanding claim including IBNR and IBNER ('000)	30,682	12,856
7. Margin over best estimate	-	-
8. Unearned Premium Reserve (Amount)	165,422	137,267
9. Unexpired Risk Reserve (Amount)	-	-
10. Earthquake Premium Reserve (Amount)	-	-
11. Long Term Investment ('000)	412,029.45	74,351.00
12. Short Term Investment ('000)	296,750.00	726,896.68
13. Direct Premium (Amount)	325,202.92	262,578.51
14. Investment in cost (Amount)	708,779.45	813,450.03
15. Solvency Margin Ratio	2.03	1.83

Notes to interim Financial Statements:

1. The above figures are subject to change as per the direction of regulatory body i.e. Nepal Insurance Authority
2. The interim financial statement have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) as issued by the Accounting Standard Board, Nepal and the carve outs issued by ICAN.
3. Gross earned premium has been measured net of unearned premium reserve.
4. Last year amount have been reclassified, restated and corrected wherever necessary
5. The interim financial statement has been updated in our website: www.nepalmicro.com

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

1. Solvency Ratio related disclosure: 2.03
2. Reinsurance related disclosure: Reinsurance treaty with Nepal Re and Himalayan Re
3. Details regarding legal proceeding: N/A
4. Corporate Governance: All the points are being reviewed and compliance is in process
5. Regulatory limit on expenses ratio:
6. Any other disclosure as deemed relevant

Disclosure as required by other regulatory bodies and Nepal Financial Reporting Standard Disclosure as per Securities Registration and Issuance Regulation, 2073, Related to Rule 26(1) of Annexure 14

1 . Financial Statement

Statement of Financial Position and Statement of Profit or Loss as per Nepal Financial Reporting Standard (NFRS) including key financial indicators and ratios along with this report. There has not been any related party transaction during the period.

Key Financial indicators and Ratios

Earnings per share (Annualized)	5.68	P/E Ratio	157
Net worth per Share (NPR)	106.36	NAV per share (NPR)	158
Liquidity ratio	181%	Solvency Ratio	2.03

2 Management Analysis

a. Financial indicators during the period were at satisfactory level.
b. Major area of Focus:
- Creating insurance awareness among people.
- Increasing human resource capacity and efficiency
- Mitigating AML/CFT related risk
- Promotion of Digital Services
- Mitigating cyber security risk

3 Details relating to Legal Action

a. Except for the lawsuit in the normal course of business there are no material cases filed by or against the institution.
b. No cases have been reported regarding filing or filed against the promoter or director of the institution for non compliance of prevailing laws or commission of criminal offence.
c. No cases have been filed against any promoter or director for financial crime.

4 Analysis of stock performance of insurance

a. Share price and transaction are determined as per open market competition.
b. Maximum, minimum and closing share price including total share transaction number and days of transaction during the period were:

Max. Share price (NPR)	1,215.00	Min. Share Price (NPR)	860.00
Closing price of the share (NPR)	889.90	Number of days traded	64.00
Total Volume of traded shares	**328,641.00**		

(Source// website of Nepal Stock Exchange Limited)

Problem and Challenges

a. Internal

- Operational and Digital risk
- Management of insurance claims

External

- Sluggish business growth due to economic recession
- Significant decrease in interest rate.
- Lack of awareness among people about the need and importance of insurance

Corporate governance

a. The board of directors and management is fully committed to follow good governance and ensure full compliance with all the applicable laws and regulation.
b. The company has formed audit committee, AML/CFT committee and various departments to establish good governance and control system in the company.
c. The company holds its internal and external audit by independent audit firm of Chartered Accountants.

Declaration by CEO

I hereby declare that the particulars, data and information mentioned in this report, to the best of my knowledge, are true, fair and complete. I have not knowingly concealed any material particulars and information to misguide the investors. I personally take the responsibility on the truthfulness of data, information and particulars disclosed in this report.