ASIAN Life Insurance Company
एशियन लाईफ इन्स्योरेन्स कं. लि.

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# Quarterly Financial Results for 2nd Quarter, F.Y. 2081/82

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

**As at Poush 29, 2081 (January 13, 2025)** — **Fig in NPR.**

| Particulars | Unaudited (Group) | Unaudited (Group) | Unaudited (Insurance) | Unaudited (Insurance) |
|---|---|---|---|---|
| | At the end of this Quarter | At the end of Immediate Previous Year | At the end of this Quarter | At the end of Immediate Previous Year |
| **Assets:** | | | | |
| Goodwill & Intangible Assets | 12,777,068 | 13,869,653 | 12,194,047 | 13,264,667 |
| Property and Equipment | 637,350,761 | 575,068,990 | 636,025,340 | 574,722,627 |
| Investment Properties | - | - | - | - |
| Deferred Tax Assets | - | - | - | - |
| Investment in Subsidiaries | - | - | 76,500,000 | 76,500,000 |
| Investment in Associates | 3,727,692,703 | 2,664,117,569 | 2,832,215,876 | 2,802,215,876 |
| Investments | 41,618,957,079 | 38,662,225,008 | 41,546,532,629 | 38,597,149,023 |
| Loans | 5,055,054,590 | 4,972,321,681 | 5,053,635,658 | 4,970,727,241 |
| Reinsurance Assets | 42,446,500 | 66,100,610 | 42,446,500 | 66,100,610 |
| Current Tax Assets | 311,714,132 | 238,416,505 | 309,573,474 | 237,045,200 |
| Insurance Receivables | 9,589,999 | 91,944,967 | 9,589,999 | 91,944,967 |
| Other Assets | 920,087,174 | 570,283,846 | 520,087,174 | 170,281,846 |
| Other Financial Assets | 1,173,231,285 | 1,251,457,835 | 1,530,183,203 | 1,640,513,549 |
| Cash and Cash Equivalent | 285,485,861 | 251,754,422 | 285,182,044 | 248,702,709 |
| **Total Assets** | **52,794,397,151** | **49,358,459,095** | **52,854,165,944** | **49,498,168,315** |
| **Equity:** | | | | |
| Share Capital | 3,300,836,307 | 3,300,836,307 | 3,300,836,307 | 3,300,836,307 |
| Share Application Money Pending Allotment | - | - | - | - |
| Share Premium | - | - | - | - |
| Catastrophe Reserves | 252,235,747 | 227,205,041 | 252,235,747 | 227,205,041 |
| Retained Earnings | 353,517,069 | 174,241,053 | 564,704,840 | 340,931,553 |
| Other Equity | 105,035,791 | 66,530,197 | 75,979,450 | 46,315,442 |
| **Total Equity** | **4,110,624,913** | **3,867,812,597** | **4,291,756,343** | **4,014,288,343** |
| **Liabilities:** | | | | |
| Provisions | 825,484,241 | 836,262,054 | 824,925,591 | 835,703,404 |
| Gross Insurance Contract Liabilities | 45,381,004,731 | 43,010,857,520 | 45,293,352,601 | 42,994,731,944 |
| Deferred Tax Liabilities | 180,690,970 | 90,238,201 | 191,520,882 | 100,720,760 |
| Insurance Payable | - | 143,749,669 | - | 143,749,669 |
| Current Tax Liabilities | - | - | - | - |
| Borrowings | 303,823,601 | - | 303,823,601 | - |
| Other Liabilities | 678,543,486 | 441,509,671 | 679,019,421 | 441,599,703 |
| Other Financial Liabilities | 1,314,225,708 | 968,029,483 | 1,269,767,495 | 967,374,593 |
| **Total Liabilities** | **48,683,772,237** | **45,490,646,498** | **48,562,409,601** | **45,483,879,972** |
| **Total Equity and Liabilities** | **52,794,397,151** | **49,358,459,095** | **52,854,165,944** | **49,498,168,315** |

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

**For Period from Shrawan 01, 2081 to Poush 29, 2081 (July 16, 2024 to January 13, 2025)** — **Fig in NPR.**

| Particulars | Unaudited (Group) | | Unaudited (Group) | | Unaudited (Insurance) | | Unaudited (Insurance) | |
|---|---|---|---|---|---|---|---|---|
| | Current Year | | Corresponding Previous Year | | Current Year | | Corresponding Previous Year | |
| | This Quarter | Upto this Quarter (YTD) | This Quarter | Upto this Quarter (YTD) | This Quarter | Upto this Quarter (YTD) | This Quarter | Upto this Quarter (YTD) |
| **Income:** | | | | | | | | |
| Gross Earned Premiums | 2,381,600,230 | 4,218,231,198 | 1,814,380,002 | 3,672,397,637 | 2,381,600,230 | 4,218,231,198 | 1,814,380,002 | 3,672,397,637 |
| Premiums Ceded | 28,714,008 | 46,882,309 | 33,199,401 | 92,765,347 | 28,714,008 | 46,882,309 | 33,199,401 | 92,765,347 |
| **Net Earned Premiums** | **2,152,886,222** | **4,171,348,889** | **1,781,180,601** | **3,579,632,290** | **2,152,886,222** | **4,171,348,889** | **1,781,180,601** | **3,579,632,290** |
| Commission Income | - | - | - | - | - | - | - | - |
| Other Direct Income | 20,513,771 | 40,066,651 | 13,602,764 | 37,980,309 | 20,513,771 | 40,066,651 | 13,611,714 | 37,980,309 |
| Interest Income on Loan to Policyholders | 147,636,976 | 277,636,186 | 132,108,240 | 276,903,590 | 147,636,976 | 277,636,186 | 132,108,160 | 276,903,590 |
| Income from Investments and Loans | 750,000,734 | 1,607,220,464 | 823,270,348 | 1,694,739,883 | 748,600,144 | 1,598,988,161 | 823,270,348 | 1,694,739,883 |
| Net Gain/(Loss) on Fair Value Changes | - | - | - | - | - | - | - | - |
| Net Realised Gains/(Losses) | - | - | 823,617 | 823,617 | - | - | - | - |
| Other Income | 1,252,308 | 4,581,189 | 4,162,273 | 4,162,273 | 1,420,844 | 3,231,089 | 3,245,799 | 3,245,799 |
| **Total Income** | **3,072,791,913** | **6,100,836,679** | **2,757,245,103** | **5,594,439,812** | **3,071,057,960** | **6,091,271,576** | **2,756,216,631** | **5,592,501,871** |
| **Expenses:** | | | | | | | | |
| Gross Benefits and Claims Paid | 2,450,153,621 | 2,854,255,055 | 1,192,619,052 | 2,149,819,520 | 1,450,153,621 | 2,854,255,055 | 1,192,619,052 | 2,149,819,520 |
| Claims Ceded | 34,261,338 | 71,843,856 | 8,951,495 | 13,351,495 | 34,261,338 | 71,843,856 | 8,951,495 | 13,351,495 |
| Gross Change in Contract Liabilities | 1,050,653,868 | 2,053,460,127 | 946,795,707 | 2,351,542,280 | 1,050,653,868 | 2,053,460,127 | 946,795,707 | 2,351,542,280 |
| Change in Contract Liabilities Ceded to Reinsurers | 4,334,390 | (23,654,110) | 12,815,000 | 24,066,000 | 4,334,390 | (23,654,110) | 12,815,000 | 24,066,000 |
| **Net Benefits and Claims Paid** | **2,471,211,811** | **4,850,625,637** | **2,112,648,259** | **4,463,194,296** | **2,471,211,811** | **4,850,625,637** | **2,112,648,259** | **4,461,944,296** |
| Commission Expenses | 360,243,471 | 356,517,092 | 322,172,741 | 380,605,600 | 351,590,557 | 356,527,692 | 322,172,741 | 322,172,741 |
| Service Fees | 36,146,647 | 51,285,117 | 13,242,418 | 26,847,242 | 36,146,647 | 51,285,117 | 13,242,418 | 26,847,242 |
| Other Direct expenses | 571,357 | 1,071,899 | - | - | 571,357 | 1,071,899 | - | - |
| Employee Benefits Expenses | 74,020,671 | 166,155,411 | 67,303,123 | 158,800,043 | 73,631,646 | 165,963,115 | 68,566,016 | 158,800,043 |
| Depreciation and Amortization Expenses | 4,357,358 | 8,164,157 | 2,125,928 | 15,067,944 | 4,357,358 | 8,164,157 | 2,125,928 | 15,067,944 |
| Impairment Losses | - | - | - | - | - | - | - | - |
| Other Operating Expenses | 67,086,222 | 111,680,490 | 54,041,947 | 101,429,807 | 65,404,800 | 107,995,733 | 62,611,920 | 97,708,638 |
| Finance Cost | 938,165 | 1,447,667 | - | - | 938,165 | 1,447,667 | - | - |
| **Total Expenses** | **2,816,571,201** | **5,534,373,009** | **2,571,533,216** | **5,088,272,165** | **2,812,858,384** | **5,528,103,241** | **2,414,521,733** | **5,084,540,883** |
| **Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax** | **256,220,712** | **566,463,670** | **341,349,842** | **506,167,650** | **258,199,576** | **563,168,335** | **341,794,889** | **507,960,988** |
| Share of Net Profit of Associates accounted using Equity Method | 57,152,300 | 33,576,134 | - | - | - | - | - | - |
| **Profit Before Tax** | **313,423,012** | **600,039,803** | **341,349,842** | **506,167,650** | **258,199,576** | **563,168,335** | **341,794,889** | **507,960,988** |
| Income Tax Expenses | 144,128,791 | 312,861,720 | 256,012,317 | 348,068,248 | 144,128,791 | 312,861,720 | 246,092,320 | 348,068,248 |
| **Net Profit/(Loss) For The Year** | **169,294,220** | **287,177,933** | **85,337,461** | **158,099,401** | **114,070,784** | **250,307,064** | **95,702,569** | **159,892,739** |
| **Earning Per Share** | | | | | | | | |
| Basic EPS | 5.13 | 16.89 | 9.36 | 9.36 | 14.72 | 14.72 | 9.41 | 9.41 |
| Diluted EPS | 5.13 | 16.89 | 9.36 | 9.36 | 14.72 | 14.72 | 9.41 | 9.41 |

## CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

**For Period From Shrawan 01, 2081 to Poush 29, 2081 (July 16, 2024 to January 13, 2025)** — **Fig in NPR.**

| Particulars | Unaudited (Group) | | Unaudited (Group) | | Unaudited (Insurance) | | Unaudited (Insurance) | |
|---|---|---|---|---|---|---|---|---|
| | Current Year | | Corresponding Previous Year | | Current Year | | Corresponding Previous Year | |
| | This Quarter | Upto this Quarter (YTD) | This Quarter | Upto this Quarter (YTD) | This Quarter | Upto this Quarter (YTD) | This Quarter | Upto this Quarter (YTD) |
| Net Profit/(Loss) For The Year | 169,294,220 | 287,177,933 | 85,337,461 | 158,099,401 | 114,070,784 | 250,307,064 | 95,702,569 | 159,892,739 |
| Changes in fair value of FVOCI Equity Instruments | (186,327,940) | 363,200,688 | 117,751,269 | 272,751,269 | (146,322,940) | 363,200,688 | 117,751,269 | 117,751,269 |
| Income Tax Relating to Above Items | (18,590,255) | 60,800,123 | 28,312,912 | 28,312,912 | (16,580,255) | 59,800,123 | 29,417,812 | 29,417,812 |
| **Total Other Comprehensive Income For the Year, Net of Tax** | **(109,742,205)** | **272,400,566** | **88,313,451** | **88,313,451** | **(109,742,205)** | **272,400,566** | **88,313,451** | **88,313,451** |
| **Total Comprehensive Income For the Year, Net of Tax** | **59,552,016** | **559,578,499** | **173,650,912** | **246,412,853** | **4,328,580** | **522,707,630** | **184,016,020** | **248,206,191** |

## OTHER INDICATORS

| Particulars | Current Year Upto this Quarter (YTD) | Previous Year Upto this Quarter (YTD) |
|---|---|---|
| 1. Total inforce Policy count | 749,381 | 605,260 |
| 2. Total no. of policy issued during the year | 192,434 | 163,157 |
| 3. First Year Premium(including single) | 925,374,351 | 925,895,379 |
| 4. Single Premium | 240,515,606 | 116,280,789 |
| 5. Renewal Premium | 3,251,990,846 | 2,945,902,261 |
| 6. Total Benefits and Claims Paid in Count | 12725 | 2,993 |
| 7. Outstanding Benefits and Claims in Count | 242 | 696 |
| 8. Gross Claim Outstanding (Amount) | 92,275,000 | 41,829,000 |
| 9. Declared Bonus rate (FY 79-80) | 42.75 | 42.75 |
| 10. Interim bonus rate | 42.75 | 42.75 |
| 11. Long Term Investments (Amount) | 30,740,875,508 | 28,592,480,453 |
| 12. Short Term Investments (Amount) | 13,714,403,000 | 9,687,400,000 |
| 13. Policyholders Loan | 5,004,180,385 | 4,779,624,075 |
| 14. Investment in cost value | 42,741,960,802 | 39,385,054,208 |
| 15. Life Insurance Fund (Amount) | 44,687,512,183 | 39,972,866,918 |
| 16. Unearned Premium Reserve for Term Policies (Amount) | 295,793,006 | 133,894,071 |
| 17. Solvency Margin Ratio | 2.21 | 2.21 |

**Notes:**
a. Financial Statements are prepared as per Nepal Financial Reporting Standard (NFRS) and Financial Directives 2080 issued by Nepal Insurance Authority.
b. FE pool business data has been included as per data published by NIA in Gross Earned Premium.
c. Figures have been regrouped & rearranged wherever necessary.
d. The above figures are unaudited and therefore might change after audit or direction from regulator.

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

1. Solvency Ratio related disclosure: The Company has maintained solvency ratio of 2.21 as per its latest audited financial statement i.e. 2079/80.
2. Reinsurance related disclosure: The Company has entered into reinsurance agreements in order to minimize its business and operating risks.
3. Details regarding legal proceedings: There are no legal proceedings against the company.
4. Corporate Governance: The Company has fully complied with the Corporate Governance Directive issued by Nepal Insurance Authority.
5. Regulatory limit on expenses ratio: The expense of the company is within the expense ratio prescribed by Nepal Insurance Authority.
6. The company has complied with all applicable laws and directives issued by the regulatory bodies.

## Additional Disclosure as per Securities Registration and Issue Regulation, 2073 (Rule 26(1), Annexure 14)

**1. a) Financial Statement**
Statement of Financial Position and Statement of Profit and Loss are prepared and published as per Nepal Financial Reporting Standard. There has no transaction between related parties.

**b) Key Financial indicators and ratios**

| | |
|---|---|
| Earnings Per Share | 14.72 |
| Price Earnings Ratio ( P/E Ratio) | 48.05 |
| Net Worth Per Share | 126.23 |
| Total Assets Per Share | 1,554.61 |

**2. Management Analysis**
a) The company's premium and liquidity ratio is satisfying.
b) The company has earned a gross premium of NPR 4,218.23 million.
c) Company has made gross claim payment of NPR 2,854.35 million until the end of 2nd quarter, 2081/82.
d) The life fund of company is 44,687.51 million until the end of 2nd quarter, 2081/82.
e) Overall, the company has excellent business strategy and good customer satisfaction.

**3. Details relating to legal action**
a) Case Filed against Company:
There are no such instances.
b) Case relating to disobedience of prevailing law or commission of criminal offence filed by or against the promoter or director of the company.
There are no such instances.
c) Case relating to financial crime filed against any promoter or director
There are no such instances.

**4. Analysis of share transaction and progress of the company**
The Company was listed on Nepal Stock Exchange on date 2067/01/03 and started the share trading on date 2067/01/29. The details regarding the maximum, minimum, closing price, traded days and total share transacted during the quarter is as:

| | | | |
|---|---|---|---|
| Maximum Price | 780 | Total Days Transacted | 55 |
| Minimum Price | 694.9 | Total transacted Value | 965,762,533.51 |
| Closing Price | 707.5 | Total Transacted quantity | 1,310,440 |

**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 life insurance business includes Low insurance penetration, high inflation, economic uncertainty and unhealthy competition among the life insurers.

**Management Strategy**
The company aims to raise awareness among the people all around the country regarding the importance of having life insurance which will support the growth of life 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 management intends to invest the fund in accordance with the Investment Directive issued by Nepal Insurance Authority with the intention to maximize the profit with the optimum utilization of fund. Moreover, till the end of 2nd quarter, the company has diverged in the investment sectors like hydropower, tourism and also the airlines. Also, the company aims to enhance the customer service to customer care through holistic solutions, effortless service and strengthening and scaling relationship with them by providing meaningful engagement.

**6. Corporate Governance**
The Company follows zero tolerance governance and compliance culture and ensures absolute compliance of directives and guidelines issued by Nepal Insurance Authority. To ensure adequate compliance and risk management, the company has developed strong policy and procedural framework along with dedicated compliance, risk management and audit function. The company has appointed an Internal Auditor in order to monitor and evaluate the efficiency and adequacy of internal control system in the company.
The board of directors, audit committee, human resource management committee and all other management committees are committed to enforce highest standard of corporate governance within the company.

**7.Declaration by CEO**
I hereby declare that the data and information provided in this report is true, complete and factual to the best of my knowledge. No any conscious matter has been made to misguide the investors.

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