लाइफ इन्स्योरेन्स कर्पोरेशन (नेपाल) लिमिटेड
Life Insurance Corporation (Nepal) Ltd.
(A Joint Venture of Life Insurance Corporation of India)

AN ISO 9001 CERTIFIED ORGANISATION
Certificate No. 42693

LIFE INSURANCE CORPORATION (NEPAL) LIMITED

(Star Mall 4'th Floor,Putalisadak,Tel:-014012613,www.licnepal.com.np)

Quarterly Financial Results for Second Quarter, F.Y. 2082/83 B.S.

Particulars	"Unaudited" At the end of this Quarter	"Audited" At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	24,300	48,600
Property and Equipment	367,631,982	392,420,903
Investment Properties	-	-
Deferred Tax Assets	81,630,683	-
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	122,493,876,158	117,340,391,062
Loans	20,798,528,440	21,409,869,606
Reinsurance Assets	-	-
Current Tax Assets	-	179,358,463
Insurance Receivables	16,476,720	18,883,296
Other Assets	502,871,457	1,016,951,176
Other Financial Assets	3,092,027,528	3,408,799,099
Cash and Cash Equivalent	5,525,379,887	2,060,047,872
Total Assets	**152,878,447,155**	**145,826,770,077**
Equity:		
Share Capital	5,500,000,000	5,500,000,000
Share Application Money Pending Allotment	-	-
Share Premium	498,012,562	498,012,562
Catastrophe Reserves	755,432,725	732,976,827
Retained Earnings	2,494,242,449	3,452,279,690
Other Equity	344,843,938	394,157,144
Total Equity	**9,592,531,674**	**10,577,426,223**
Liabilities:		
Provisions	183,108,771	167,555,959
Gross Insurance Contract Liabilities	140,897,363,013	133,632,472,759
Deferred Tax Liabilities	-	56,565,302
Insurance Payable	38,062,818	54,254,357
Current Tax Liabilities	101,805,352	-
Borrowings	-	-
Other Liabilities	368,135,127	463,346,812
Other Financial Liabilities	1,697,440,401	875,148,665
Total Liabilities	**143,285,915,481**	**135,249,343,854**
Total Equity and Liabilities	**152,878,447,155**	**145,826,770,077**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS Q2 (17.07.2025 TO 14.01.2026)

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	5,245,701,428.00	10,229,416,450	4,886,225,344	9,459,942,970
Premiums Ceded	(28,370,572)	(49,144,091)	(29,471,194)	(54,753,604)
Net Earned Premiums	5,217,330,856	10,180,272,359	4,856,754,150	9,405,189,366
Commission Income	2,462,500.00	2,871,060	3,098,906	3,098,906
Other Direct Income	65,938,801.00	123,905,126	71,013,679	125,685,301
Interest Income on Loan to Policyholders	563,070,020.00	1,213,465,788	565,140,354	1,171,439,182
Income from Investments and Loans	2,436,655,330.00	4,904,797,615	2,437,795,250	4,980,445,471
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	33,550	33,550	-	-
Total Income	8,285,491,057	16,425,345,498	7,933,802,339	15,685,858,226
Expenses:				
Gross Benefits and Claims Paid	3,299,708,336.00	6,140,878,808	3,159,172,522	5,819,421,428
Claims Ceded	(26,460,632)	(26,460,632)	-	(650,000)
Gross Change in Contract Liabilities	3,658,326,414.50	7,638,019,413	3,468,578,731	7,304,472,366
Change in Contract Liabities Ceded to Reinsurers	-	-	-	-
Net Benefits and Claims Paid	6,931,574,119	13,752,437,589	6,627,751,253	13,123,243,794
Commission Expenses	382,467,258	728,328,647	369,056,309	656,414,511
Service Fees	39,129,981	76,352,043	36,425,656	70,538,920
Other Direct expenses	-	-	-	-
Employee Benefits Expenses	105,175,398	227,507,626	96,465,706	210,830,127
Depreciation and Amortization Expenses	17,192,944	26,958,221	17,326,366	26,143,166
Impairment Losses	-	-	-	-
Other Operating Expenses	76,373,098	145,495,636	90,706,284	147,994,835
Finance Cost	4,217,771	8,672,106	4,546,560	8,744,603
Total Expenses	7,556,130,569	14,965,751,868	7,242,278,134	14,243,909,956
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	729,360,488	1,459,593,630	691,524,205	1,441,948,270
Share of Net Profit of Associates accounted using Equity Method				
Profit Before Tax	729,360,488	1,459,593,630	691,524,205	1,441,948,270
Income Tax Expenses	613,171,597	1,235,034,647	628,557,198	1,300,148,624
Net Profit/(Loss) For The Year	116,188,891	224,558,983	62,967,007	141,799,646
Earning Per Share				
Basic EPS		8.17		5.38
Diluted EPS		8.17		5.38

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	116,188,891	224,558,983	62,967,007	141,799,646
Other Comprehensive Income	(1,977,284)	(414,587,954.56)	(387,574,678.45)	69,689,569.99
Total Comprehensive Income	**114,211,607**	**(190,028,971.41)**	**(324,607,671.10)**	**211,489,216.01**

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

1. Solvency Ratio related disclosure:

The Solvency Ratio for the year ended Asadh 32, 2082 is declared as 1.6 which is above the requirements prescribed by Nepai Insurance Authority.

2. Reinsurance related disclosure:

A. The Company currently has reinsurance arrangements with Nepal Re and Himalayan Re in Nepal and Hannover Re in Malaysia.

B. Reinsurance Premium ceded to the reinsurers up to FY 2024-25 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.

C. 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

D. Although we mitigate our exposures through prudent reinsurance arrangements, the pri mary 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 InsuranceAuthority and other prevailing laws & regulation to which company shall adhere to.

5. Regulatory limit on expenses ratio:

Particulars	Current Year Upto This Quarter End (YTD)	Previous Year Upto This Quarter End (YTD)
Total Management Expenditure	408,633,589	393,712,731
Agent related Expenditure	86,761,819	96,364,769
Total Premium	10,229,416,450	9,459,942,970
First Premium	1,681,054,091	1,330,160,193
Total Management Expenditure as percentage of Total Premium	3.99%	4.16%
Agent related Expenditure as percentage of First Premium	5.16%	7.24%

6. Any other disclosure as deemed relevant

Comparative figure of EPS has been restated to show the impact bonus element of a rights issue to ensure consistency , comparability and fair presentation of the reported financial figures.

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

1. Financial Statements

The Financial Statements for the company for Second quarter of FY 2082-83 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 (Annualized)	8.17	Net worth per share	174.41
PE Ratio	104.51	Assets per share	2,779.61

3. Management Analysis

The transactions of the company for the Second Quarter of FY 2082-83 can be summarized as belows:

Particulars	Q2 FY 2082-83	Q2 FY 2081-82
Total Premium	10,229,416,450	9,459,942,970
Net Profits	224,558,983	141,799,646
Life Insurance Fund	139,884,422,500	127,279,481,509
Total investrments	122,493,876,158	107,262,552,277

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	969	No. of Transaction	8,648
Minimum Rate	788	No. of Transaction days	55
Closing Price	853		

5. Problems and Challenges:

Internal

Increase in the surrender claimExternal

- Political Instability
- Decreasing interest rate on fixed deposit
- Limited scope of secured investment

6. Strategies to overcome challenges

- Maintaining appropriate portfolio mix
- Moving towards digitalization
- Diversifying the investment

7. Declaration by CEO:

I, CEO of the Company take responsibility for the truthfulness of the information and details disclosed in this report. I also hereby declare that to the best of my knowledge and belief, the information disclosed in this report are true,fair and complete and have not concealed any matters that can adversely affect the investment decision of the investors.

Disclosures in both group and standalone financial statements disclosures:

Other Details/Indicators

Particulars	Current Year Upto This Quarter End (YTD)	Previous Year Upto This Quarter End (YTD)
1. Total Inforce Policy count	694,349	686,451
2. Total no of policy issued during the year	28,166	29,059
3. First Year Premium (including single premium)	1,681,054,091	1,330,160,193
4. Single Premium	544,910,078	181,364,358
5. Renewal Premium	8,548,362,359	8,129,782,777
6. Total Benefits and Claims Paid in Count	13,678	13,896
7. Outstanding Benefits and Claims in Count	10,310	6,002
8. Gross Claim outstanding (Amount)	1,012,940,513	306,103,733
9. Declared Bonus rate (FY 2024-25)	41-65	41-65
10. Interim bonus rate FY (FY 2025-26)	41-65	-
11. Long Term Investments (Amount)	88,794,573,251	95,762,192,453
12. Short Term Investments (Amount)	33,699,302,907	11,500,359,824
13. Policyholders Loan	20,694,553,477	21,836,642,550
14. Investment in cost value	122,563,239,304	107,064,015,570
15. Life Insurance Fund	139,884,422,500	127,279,481,509
16. Solvency Margin Ratio (As on 16.07.2025)	1.61	1.61