SIDDHARTHA PREMIER INSURANCE LIMITED

Siddhartha Premier Bhawan, P.O. Box, 24876, Babarmahal, Kathmandu

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

CONDENSED STATEMENT OF FINANCIAL POSITION

As on Quarter Ended Paush 2081

Fig in NPR.

Particulars	Unaudited	Audited
	At the end of this Quarter	At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	13,817,633.95	12,705,133.96
Property and Equipment	849,885,216.74	746,503,752.89
Investment Properties	309,393,869.27	309,393,869.27
Deferred Tax Assets	-	-
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	9,651,643,602.47	9,306,186,893.41
Loans	29,026,781.04	26,443,217.23
Reinsurance Assets	5,700,508,128.76	2,838,364,762.68
Current Tax Assets	138,577,394.09	129,677,917.85
Insurance Receivables	439,369,074.51	360,774,611.12
Other Assets	416,157,107.15	105,410,135.98
Other Financial Assets	596,992,784.09	661,655,011.48
Cash and Cash Equivalent	86,507,441.28	139,485,560.85
Total Assets	**18,231,879,033.35**	**14,636,600,866.73**
Equity:		
Share Capital	2,806,549,900.00	2,806,549,900.00
Share Application Money Pending Allotment	-	-
Share Premium	475,935.00	475,935.00
Special Reserve	2,500,000,000.00	2,500,000,000.00
Catastrophe Reserves	199,492,135.63	188,242,128.34
Retained Earnings	1,311,936,796.54	1,100,436,658.91
Other Equity	1,245,861,083.80	1,168,137,589.49
Total Equity	**8,064,315,850.97**	**7,763,842,211.74**
Liabilities:		
Provisions	274,387,256.28	253,978,896.00
Gross Insurance Contract Liabilities	8,129,937,821.36	4,957,990,910.66
Deferred Tax Liabilities	297,873,623.97	262,071,412.95
Insurance Payable	543,213,058.60	624,524,161.07
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	527,001,530.87	510,179,378.39
Other Financial Liabilities	395,149,891.29	264,013,895.91
Total Liabilities	**10,167,563,182.38**	**6,872,758,654.98**
Total Equity and Liabilities	**18,231,879,033.35**	**14,636,600,866.73**

CONDENSED STATEMENT OF PROFIT OR LOSS

For the Quarter Ended Paush 2081

Fig in NPR.

Particulars	Unaudited		Unaudited	
	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Income:				
Gross Earned Premiums	873,077,916.32	1,541,722,619.12	878,209,478.70	1,507,791,446.11
Premiums Ceded	(416,319,716.65)	(737,822,044.79)	(428,001,213.01)	(715,215,445.63)
Net Earned Premiums	**456,758,199.66**	**803,900,574.33**	**450,208,265.69**	**792,576,000.48**
Commission Income	126,944,260.46	210,162,053.00	65,822,762.30	162,646,347.64
Other Direct Income	595,854.19	1,708,038.18	1,102,942.04	6,258,012.06
Income from Investments and Loans	125,012,526.59	273,976,315.42	169,844,503.65	359,345,988.63
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	1,581,757.49	6,159,595.08	-	-
Other Income	3,648,968.57	4,372,348.54	884,539.61	12,458,134.65
Total Income	**714,541,566.97**	**1,300,278,924.55**	**687,863,013.28**	**1,333,284,483.46**
Expenses:				
Gross Claims Paid	584,527,426.57	1,005,565,773.83	303,080,204.28	809,384,593.69
Claims Ceded	(238,105,022.97)	(447,602,016.00)	(133,177,254.36)	(392,867,452.52)
Gross Change in Contract Liabilities	298,721,205.98	2,575,597,072.68	66,951,878.20	147,430,383.34
Change in Contract Liabities Ceded to Reinsurers	(328,439,400.84)	(2,514,232,348.84)	(37,811,188.65)	(103,255,443.34)
Net Claims Incurred	**316,704,208.73**	**619,328,481.66**	**199,043,639.47**	**460,692,081.17**
Commission Expenses	5,639,622.73	10,511,562.70	6,101,201.80	13,917,125.46
Service Fees	3,361,419.40	7,892,545.46	5,571,889.91	8,139,647.92
Other Direct expenses	1,737,680.12	4,107,822.03	129,167.43	312,359.93
Employee Benefits Expenses	107,453,968.82	259,951,887.19	120,983,850.91	255,231,137.06
Depreciation and Amortization Expenses	4,521,875.30	9,631,224.20	7,575,029.60	10,856,279.60
Impairment Losses	-	(41,264,430.54)	-	-
Other Operating Expenses	45,126,934.55	91,006,296.08	32,571,741.16	67,928,820.13
Finance Cost	-	-	292,718.49	525,693.29
Total Expenses	**484,545,709.66**	**961,165,388.78**	**372,269,238.76**	**817,603,144.56**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**229,995,857.31**	**339,113,535.77**	**315,593,774.52**	**515,681,338.90**
Share of Net Profit of Associates accounted using Equity Method	-	-	-	-
Profit Before Tax	**229,995,857.31**	**339,113,535.77**	**315,593,774.52**	**515,681,338.90**
Income Tax Expenses	68,998,757.19	114,113,389.89	94,678,132.36	154,704,401.67
Net Profit/(Loss) For The Year	**160,997,100.11**	**225,000,145.88**	**220,915,642.16**	**360,976,937.23**
Earning Per Share				
Basic EPS	-	16.03	-	25.72
Diluted EPS	-	16.03	-	25.72

Siddhartha Premier Insurance Ltd. Head Office, Kathmandu

CONDENSED STATEMENT OF OTHER COMPREHENSIVE INCOME
For the Quarter Ended Paush 2081

Fig in NPR.

Particulars	Unaudited		Unaudited	
	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Net Profit/(Loss) For The Year	160,997,100.11	225,000,145.88	220,915,642.16	360,976,937.23
Other Comprehensive Income	24,777,367.60	83,538,492.85	(137,560,150.49)	(369,251,601.18)
Total Comprehensive Income	**185,774,467.72**	**308,538,638.73**	**83,355,491.68**	**(8,274,663.95)**

OTHER DETAILS

Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total Issued Policy Count	151,757.00	153,844.00
2. Total Renewed Policy Count	46,217.00	43,352.00
3. Total Claims Paid Count	6,458.00	6,524.00
4. Outstanding Claims Count	12,977.00	13,407.00
5. Gross Outstanding Claim including IBNR & IBNER (Amount)	5,417,417,284.67	3,462,168,477.09
6. Net Outstanding Claim including IBNR & IBNER (Amount)	997,597,731.71	882,901,942.35
7. Margin Over Best Estimate (MOBE)	73,211,384.00	9,880,241.56
8. Unearned Premium Reserve (Amount)	2,610,758,847.69	2,494,100,470.12
9. Unexpired Risk Reserve (Amount)	-	237,447.00
10. Earthquake Premium Reserve (Amount)	28,550,305.00	-
11. Long Term Investments (Amount)	2,626,643,602.47	2,766,611,470.64
12. Short Term Investments (Amount)	7,025,000,000.00	6,646,700,000.00
13. Direct Premium (Amount)	2,108,508,654.98	1,969,302,677.13
14. Investment in Cost (Amount)	8,615,462,590.05	8,177,129,386.79
15. Solvency Margin Ratio	318.80%	318.80%
16. Gross Written Premium	2,138,072,456.97	1,972,618,047.89

Note to Financial Statement

1 **The above unaudited figure might be changed after the finalisation of audit.**
2 **The figures have been regrouped and rearranged whenever necessary.**
3 **The Provision for Gratuity & Leave has been adjusted as per management assumption based on past year experience.**
4 **Other comprehensive income includes the fair value change of investment**
5 **The detailed interim report has been published in the Insurer's website:** ***siddharthapremier.com.np***

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

1 The solvency margin ratio of the company stands 318.8% as per the audited financial statement of FY 2023-24.
2 The company has made adequate reinsurance arrangement to cover & minimize the risk for the each class of business.
3 The company is currently in litigation with Inland Revenue Department for FY 2072/73 to 2076/77
4 The company has compiled with the Corporate Governance Directive issued by the Nepal Insurance Authority.
5 The company has compiled with other applicable law & directive issued by the regulatory bodies.

Siddhartha Premier Insurance Ltd. Head Office, Kathmandu

Disclosure as per Securities Registration and Issuance Regulation 2073

(Related to Sub rule (1) of Rule 26

Quarterly Report as on Quarter Ended Poush, 2081 (13th January, 2025)

1. **Financial Statements**
   a) **Statement of financial position & statement of profit & loss**
   Published along with this report.
   b) **Major Financial Indicators**
   Earnings per Share (Annualized) =16.03 Price Earnings Ratio =50.58
   Net Worth per Share =287.34 Total Assets per Share = 649.62
   Liquidity Ratio =1.14

2. **Management Analysis:**
   a) The company has collected NPR 2,138 million gross premium of which NPR. 1541 million premiums have been earned till Poush End, 2081 and have earned NPR 225 million net profit till Poush End, 2081 as against net profit of NPR 64 million till first quarter,2081.82. The net profit of the company has decreased in comparison with corresponding previous year quarter end due to the effect of recent flood that occurred on 28-29 September, 2024 as well as decreasing interest rate on fixed deposits.
   b) The company's gross claim payment stands at NPR 1006 million till Poush End, 2081 as against NPR 809 million till corresponding previous year quarter end. It clearly depicts the company's service towards our valued customers.
   c) Amid problems and challenges outlined herein, the company is equally concerned to achieve efficiency in its operation and provide qualitative insurance services to our valued customers.

3. **Details Regarding Legal Actions:**

a) The company is currently in litigation with Inland Revenue Department for FY 2072/73 to 2076/77.
b) There is no legal case were raised or pending against the promoter or director of the company regarding violation of prevailing laws or commission of criminal offences.
c) There is no legal case were raised or pending against the promoter or director of the company regarding financial crime.

4. **Analysis of Share Transaction of Organized Institutions**
   a) The NEPSE did not witness expected momentum till the end of current quarter as compared to the end of immediate previous quarter.
   b) The major highlights of Share Transaction during the current quarter as follows:

Maximum Price	Minimum Price	Closing Price	Total Days Traded	Total Transactions Traded	Total Units Traded
915.00	778.00	814.00	55	5,214	6,55,808

5. **Problem and Challenges:**

Internal

- Lack of insurance awareness.
- Reduced rate of return on Investment.
- Retention of qualified & skilled human resource capital.
- Identification of new viable investment opportunities.

External

- Downfall of morale of investor & slowdown in economy.
- Cut-throat competition in the insurance industry.
- Effect of declining interest rate on deposit.
- Challenge to increase business volume due national and global economy slowdown.

6. **Corporate Governance:**
   The Board of Directors, Investment, Risk Management and Solvency Committee, Audit Committee and management team are Committed for strengthening good corporate governance within insurance company. Effective and resourceful Internal Control Department has been formed for establishing effective internal control system in the company so as to ensure that the company has complied with the Insurers Corporate Governance Directive, 2080 and other directives/circulars issued by Nepal Insurance Authority along with directives/circulars issued by other regulatory authorities.
7. **Declaration By CEO:**
8. I hereby declare that the data and information provided in this report is true, complete, and factual to the extent of my knowledge. No attempt has been made to misguide the investors. I personally take the responsibility and accountability regarding the truthfulness of the information provided in the report of quarter end.

Siddhartha Premier Insurance Ltd. Head Office, Kathmandu