"नेपाल बीमा प्राधिकरणबाट इजाजत प्राप्त"

यूनाइटेड अजोड इन्स्योरेन्स लिमिटेड

United Ajod Insurance Limited

सिटीसी मल (सातौ तल्ला), सुन्धारा, काठमाण्डौ
फोन नं. ०१- ५३४३०७२
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Quarterly Financial Results For Second Quarter, F.Y. 2081/82 B.S

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Fig in NPR.

Particulars	Unaudited At the end of this Quarter	Unaudited At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	176,742,162	177,530,551
Property and Equipment	138,463,719	102,011,814
Investment Properties	-	-
Deferred Tax Assets	-	-
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	4,116,551,856	4,297,661,767
Loans	2,545,084	3,854,418
Reinsurance Assets	2,040,807,100	2,026,967,572
Current Tax Assets	203,258,239	109,503,323
Insurance Receivables	754,278,177	745,212,706
Other Assets	108,399,157	137,050,676
Other Financial Assets	257,291,948	223,177,928
Cash and Cash Equivalent	145,223,287	76,235,510
Total Assets	**7,943,560,729**	**7,899,206,266**
Equity:		
Share Capital	2,100,000,000	2,100,000,000
Share Application Money Pending Allotment	-	-
Share Premium	-	-
Special Reserves	1,024,609,814	989,768,005
Catastrophe Reserves	45,020,167	43,278,077
Retained Earnings	163,751,047	131,348,165
Other Equity	459,317,763	467,797,417
Total Equity	**3,792,698,791**	**3,732,191,664**
Liabilities:		
Provisions	316,223,291	302,912,829
Gross Insurance Contract Liabilities	3,055,100,449	3,034,382,593
Deferred Tax Liabilities	1,531,625	14,650,717
Insurance Payable	449,434,084	447,844,544
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	226,118,973	248,625,046
Other Financial Liabilities	102,453,516	118,598,873
Total Liabilities	**4,150,861,938**	**4,167,014,602**
Total Equity and Liabilities	**7,943,560,729**	**7,899,206,266**

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)
Income:				
Gross Earned Premiums	543,544,337	1,124,141,079	507,522,268	1,140,441,847
Premiums Ceded	(292,789,892)	(680,345,671)	(298,748,240)	(696,384,576)
Net Earned Premiums	**250,754,445**	**443,795,408**	**208,774,027**	**444,057,270**
Commission Income	64,922,048	115,633,988	83,176,242	129,514,202
Other Direct Income	7,772,140	7,772,140	1,771,726	3,325,664
Income from Investments and Loans	55,902,634	132,179,167	94,196,032	182,733,167
Net Gain/(Loss) on Fair Value Changes	-	-	-	
Net Realised Gains/(Losses)	-	-	-	
Other Income	-	-	-	-
Total Income	**379,351,267**	**699,380,703**	**387,918,027**	**759,630,304**
Expenses:				
Gross Claims Paid	432,872,071	782,092,027	361,852,008	812,817,534
Claims Ceded	(218,956,047)	(425,463,385)	(232,982,742)	(523,070,590)
Gross Change in Contract Liabilities	(256,890,996)	523,087,556	(32,119,835)	22,221,155
Change in Contract Liabities Ceded to Reinsurers	172,273,638	(554,608,308)	(15,155,700)	(68,059,342)
Net Claims Incurred	**129,298,666**	**325,107,890**	**81,593,731**	**243,908,757**
Commission Expenses	9,588,491	16,994,707	25,760,636	31,225,028
Service Fees	1,731,404	3,925,448	2,289,817	4,571,317
Other Direct expenses	509,980	673,960	971	6,031
Employee Benefits Expenses	83,819,145	181,856,503	95,799,974	203,316,595
Depreciation and Amortization Expenses	5,310,035	11,010,095	5,354,631	10,709,262
Impairment Losses	-	-	-	-
Other Operating Expenses	27,143,291	63,784,138	43,575,082	77,189,360
Finance Cost	-	-	-	-
Total Expenses	**257,401,012**	**603,352,741**	**254,374,841**	**570,926,350**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**121,950,255**	**96,027,962**	**133,543,186**	**188,703,953**
Share of Net Profit of Associates accounted using Equity Method				
Profit Before Tax	**121,950,255**	**96,027,962**	**133,543,186**	**188,703,953**
Income Tax Expenses	34,121,033	26,344,345	40,355,125	56,816,194
Net Profit/(Loss) For The Year	**87,829,222**	**69,683,617**	**93,188,061**	**131,887,759**
Earning Per Share				
Basic EPS		6.64		13.85
Diluted EPS		6.64		13.85

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	87,829,222	69,683,617	93,188,061	131,887,759
Other Comprehensive Income	(14,207,569)	(9,136,490)	(4,923,281)	(705,680)
Total Comprehensive Income	**73,621,653**	**60,547,127**	**88,264,780**	**131,182,079**

OTHER DETAILS

Fig. in NPR

Particulars	Current Year Upto this Quarter (YTD)	Previous Year Upto this Quarter (YTD)
1. Total Issued Policy Count	87,524	105,933
2. Total Renewed Policy Count	26,342	19,724
3. Total Claims Paid Count	3,470	4,654
4. Outstanding claims count	11,350	12,719
5. Gross outstanding claims incluldng IBNR & IBNER (Amount)	1,292,516,787	1,632,568,974
6. Net outstanding claims incluldng IBNR & IBNER (Amount)	425,513,226	462,823,294
7. Margin over best estimate (MOBE)	-	-
8. Unearned premium reserve (Amount)	705,491,956	396,348,083
9. Unexpired risk reserve (Amount)	705,491,956	396,348,083
10. Earthquake premium reserve (Amount)	-	-
11. Long Term Investments (Amount)	716,723,722	586,597,349
12. Short Term Investments (Amount)	3,399,828,134	3,902,427,994
13. Direct premium (Amount)	1,203,210,757	1,305,049,992
14. Investment in cost (Amount)	4,076,782,045	3,542,439,029
15. Solvency margin ratio (as per audited financial statements of FY 22/23)	2.19	2.19

Notes to financial statements

1) The above financial statement has been prepared as per the NFRS and directives issued by Nepal Insurance Authority.
2) The above figures are unaudited figures and may change after statutory audit.
3) The figures of previous quarter has been reinstated as per the requirements.
4) The figures have been rearranged and regrouped whenever necessary.
5) The provision for gratuity and leave has been adjusted as per management assumption based on past year experience.

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

1. The solvency margin ratio of company stands 2.19 times as per the audited financial statements of FY 22/23.
2. The company has made adequate reinsurance arrangement to cover and minimize risk for each class of business.
3. Details regarding legal proceeding: No any such legal case against the company.
4. The company has complied with corporate governance directive issued by Nepal Insurance Authority.
5. The company has complied with all other applicable law and directive issued by regulatory bodies.

Disclosure as per Securities Registration and Issuance Regulation 2073 (Related to Sub rule (1) of Rule 26)

1. Financial Statements:

a. The unaudited financial statement for the second quarter of FY 2081/82 and financials ratios have been published along with this report.

b. **Major financial Highlights and analysis:**

Key Financial Ratios	This Quarter End (Ashar, 2081)
Earnings per share (EPS)	6.64
Price Earnings Ratio	95.78
Net worth Per Share	180.60
Total Assets Per Share	378.26
Liquidity Ratio	2.61

2. Management Analysis:

a) The company has collected NPR. 1,203.74 million gross premium and has earned NRP. 69.68 million net profit upto the second quarter end.
b) 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 dispute, 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

The company remains committed towards providing the notices and information to investors and shareholders. The major highlights of share transaction during the quarter are as follows:-

Maximum share price (NPR)	723.9	Minimum share price(NPR)	616.3
Closing share price (29th Poush, 2081)	636	Total no. of shares traded	11,63,186
Total no. of transaction days	55	Total no. of transactions	7,444

5. Problems and Challenges:

Problem:

- Increase in cost of operation due to inflation.
- No new viable investment opportunities.
- Changes in interest rate on deposit.
- Scarcity of qualified and skilled human resources.
- Intense competition in insurance industry.
- Stiffen view of reinsurance company towards Nepalese market.

6. Management Strategy:

- Effective and efficient service to client.
- Staff training and development program.
- Explore new investment opportunities.
- Develop competitive edge over others by focusing on smooth claim settlement.

7. Corporate Governance:

The Board of Directors, Audit Committee, Senior Management & Compliance Officer are committed to upholding corporate good governance practices in the company.

8. Declaration

I, 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 second quarter of FY 2081/82, 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.

COST ESTIMATE
SIZE: 192CC

Media: Karobar Daily	Media: Abhiyan Daily	Media: Nepalsamacharpatra	Media: Nayapatrika
Rate: 1200/cc	Rate: 1300/cc	Rate: 1200/cc	Rate: 1400/cc
Total Amount: 230,400/-	Total Amount: 101,400/-	Total Amount: 93,600/-	Total Amount: 2,68,800/-
Discounted Rate: Flat	Discounted Rate: Flat	Discounted Rate: Flat	Discounted Rate: Flat
Taxable Amount: 62,400/-	Taxable Amount: 62,400/-	Taxable Amount: 52,800/-	Taxable Amount: 86,400/-
VAT: 13%	VAT: 13%	VAT: 13%	VAT: 13%
Total Amount: 70,512/-	Total Amount: 70,512/-	Total Amount: 59,664/-	Total Amount: 97,632/-