यूनाइटेड अजोड इन्स्योरेन्स लिमिटेड
United Ajod Insurance Limited

केन्द्रिय कार्यालयः सिटिसि मल सुन्धारा, काठमाडौं
सम्पर्क नं.: ०१-५३३३७४३, ०१-५३४४०१३, ०१-५३४४०१३, ०१-५३३३७४३
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Quarterly Financial Results For Third Quarter, F.Y. 2082/83 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	158,392,324	175,991,472
Property and Equipment	145,452,204	203,536,146
Investment Properties	-	-
Deferred Tax Assets	-	-
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	4,489,054,600	4,293,510,106
Loans	182,086	769,506
Reinsurance Assets	385,422,778	2,002,980,529
Current Tax Assets	1,113,735,633	100,230,121
Insurance Receivables	476,181,249	553,392,520
Other Assets	383,962,674	179,037,391
Other Financial Assets	319,676,978	213,017,441
Cash and Cash Equivalent	350,076,632	358,441,633
Total Assets	**7,822,137,160**	**8,080,906,866**
Equity:		
Share Capital	2,310,000,000	2,310,000,000
Share Application Money Pending Allotment	-	-
Share Premium	-	-
Special Reserves	1,049,146,348	1,049,146,348
Catastrophe Reserves	47,016,607	47,016,607
Retained Earnings	54,977,966	124,768,453
Other Equity	575,218,048	559,569,731
Total Equity	**4,036,358,969**	**4,090,501,139**
Liabilities:		
Provisions	214,743,545	100,980,885
Gross Insurance Contract Liabilities	2,923,581,000	3,154,466,616
Deferred Tax Liabilities	15,715,064	72,882,579
Insurance Payable	132,644,841	188,800,167
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	156,678,302	172,621,131
Other Financial Liabilities	342,415,439	300,654,350
Total Liabilities	**3,785,778,191**	**3,990,405,727**
Total Equity and Liabilities	**7,822,137,160**	**8,080,906,866**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Fig. in NPR

Particulars	Current Year This Quarter	Current Year Upto this Quarter (YTD)	Corresponding Previous Year This Quarter	Corresponding Previous Year Upto this Quarter (YTD)
Income:				
Gross Earned Premiums	747,684,650	2,114,238,609	668,230,248	1,792,371,327
Premiums Ceded	(349,555,123)	(1,128,235,877)	(391,594,152)	(1,071,939,823)
Net Earned Premiums	**398,129,527**	**986,002,732**	**276,636,096**	**720,431,504**
Commission Income	56,426,728	164,881,837	85,352,447	200,986,435
Other Direct Income	4,672,800	14,070,402	2,660,171	10,432,311
Income from Investments and Loans	21,641,762	97,913,434	44,021,059	176,200,226
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	-	-	-	-
Total Income	**480,870,817**	**1,262,868,405**	**408,669,773**	**1,108,050,476**
Expenses:				
Gross Claims Paid	375,391,037	1,063,606,501	479,559,989	1,261,652,016
Claims Ceded	(160,376,856)	(487,779,115)	(314,465,633)	(739,929,018)
Gross Change in Contract Liabilities	(584,977,533)	1,098,463,103	(241,643,960)	281,443,596
Change in Contract Liabities Ceded to Reinsurers	643,290,532	(826,908,690)	246,946,761	(307,661,547)
Net Claims Incurred	**273,327,180**	**847,381,799**	**170,397,157**	**495,505,047**
Commission Expenses	13,418,325	34,745,285	14,211,538	31,206,245
Service Fees	2,865,541	8,517,127	1,945,175	5,870,623
Other Direct expenses	459,927	876,098	361,601	1,035,561
Employee Benefits Expenses	93,000,383	301,466,286	98,495,509	280,352,012
Depreciation and Amortization Expenses	13,698,710	64,929,499	5,392,282	16,402,377
Impairment Losses	-	-	-	-
Other Operating Expenses	30,193,752	99,711,171	48,005,357	111,789,495
Finance Cost	1,280,560	4,941,836	-	-
Total Expenses	**428,244,378**	**1,362,569,101**	**338,808,619**	**942,161,360**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**52,626,440**	**(99,700,695)**	**69,861,154**	**165,889,116**
Share of Net Profit of Associates accounted using Equity Method				
Profit Before Tax	**52,626,440**	**(99,700,695)**	**69,861,154**	**165,889,116**
Income Tax Expenses	15,787,932	(29,910,209)	23,422,390	49,766,735
Net Profit/(Loss) For The Year	**36,838,507**	**(69,790,487)**	**46,438,764**	**116,122,381**
Earning Per Share				
Basic EPS		(4.03)		7.37
Diluted EPS		(4.03)		7.37

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Fig. in NPR

Particulars	Current Year This Quarter	Current Year Upto this Quarter (YTD)	Corresponding Previous Year This Quarter	Corresponding Previous Year Upto this Quarter (YTD)
Net Profit/(Loss) For The Year	36,838,507	(69,790,487)	46,438,764	116,122,381
Other Comprehensive Income	26,030,427	16,279,453	(6,014,330)	(15,150,820)
Total Comprehensive Income	**62,868,934**	**(53,511,034)**	**40,424,434**	**100,971,561**

OTHER DETAILS

Fig. in NPR

Particulars	Current Year Upto this Quarter (YTD)	Previous Year Upto this Quarter (YTD)
1. Total Issued Policy Count	313,579	174,211
2. Total Renewed Policy Count	39,043	40,653
3. Total Claims Paid Count	5,520	5,606
4. Outstanding claims count	5,116	4,856
5. Gross outstanding claims inclulding IBNR & IBNER (Amount)	2,817,542,625	1,050,872,828
6. Net outstanding claims inclulding IBNR & IBNER (Amount)	726,053,177	446,090,437
7. Margin over best estimate (MOBE)	58,684,053	64,656,123
8. Unearned premium reserve (Amount)	760,201,989	631,518,724
9. Unexpired risk reserve (Amount)	-	-
10. Earthquake premium reserve (Amount)	20,390,053	10,177,500
11. Long Term Investments (Amount)	1,506,413,678	711,407,410
12. Short Term Investments (Amount)	2,982,640,922	3,592,240,372
13. Direct premium (Amount)	2,147,039,646	1,834,173,265
14. Investment in cost (Amount)	4,465,798,239	3,899,247,599
15. Solvency margin ratio (as per valuation report of actuary for FY 80/81)	2.73	2.73

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 2.73 times as per the valuation report of actuary for FY 80/81.
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 statements for the third quarter of FY 2082/83 and financial ratios have been published along with this report.
b. Major financial highlights and analysis

Key Financial Ratios	This Quarter End (Chaitra, 2082)
Earnings per share (EPS)	(4.03)
Price Earnings Ratio	(116.10)
Net worth Per Share	174.73
Total Assets Per Share	338.62

2. Management Analysis

a) The company has collected NPR. 2,263.85 million gross premium and has incurred NRP. 69.79 million net loss upto the third quarter end.
b) The company has not experienced any incidents and situations during the period that might affect the revenue. However, due to recent protest by Gen Z in Bhadra, 2082, profits and cash flow of the company upto quarter has been decreased as compared to the same period in last year .

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)	519.1	Minimum share price(NPR)	436
Closing share price (30th Chaitra, 2082)	467.9	Total No. of shares traded	1,681,960
Total No. of transaction days	53	Total No. of transactions	12,437

5. Problem and Challenges

Problem:

- Increase in cost of operation due to inflation
- Limited investment opportunities
- Falling interest rate on bank deposit
- Short supply of qualified and skilled human resources
- Intense competition in insurance industry
- Outlook of reinsurance market towards Nepalese insurance market

6. Management Strategy:

- Effective and efficient service to client
- Staff training and development program
- Explore new investment opportunities
- Investment in IT to further develop digital insurance
- Explore favorable reinsurance market
- Efficiency in operations to reduce operational cost

7. Corporate Governance

The Board of Directors, Audit Committee, Senior Management & Compliance Officer are committed to prevail 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 third quarter of FY 2082/83, 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 the information necessary for taking informed decision by the investors are not concealed.